

The Morld's Classics

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EELECTED SPEECHES AND DOCUMENTS ON BRITISH COLONIAL POLICY

1763-1917

IN TWO VOLUMES
Vol. II

'Selected Speeches and Documents on British Colonial Policy' was first published in 'The World's Classics' in 1918.

SELECTED SPEECHES AND DOCUMENTS ON BRITISH COLONIAL POLICY 1763—1917

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D.C.L., D.LITT.

IN TWO VOLUMES
Vol. II



HUMPHREY MILFORD
OXFORD UNIVERSITY PRESS
LONDON EDINBURGH OLASGOW
NEW YORK TORONTO MELBOURNE BOMBAY

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VI THE UNION OF SOUTH AFRICA

1. RIGHT HON. WINSTON CHURCHILL'S SPEECH ON THE TRANSVAAL CON-STITUTION

House of Commons, December 17, 1906.

THE Under-Secretary of State for the Colonies (Mr. Churchill, Manchester, N.W.), in moving 'That this House approves the grant of Constitutions conferring responsible government upon the peoples of the Transvaal and Orange River Colonies,' said:

'Letters Patent have been issued during the last week 1 conferring a Constitution upon the Transvaal Colony. These instruments have now been for some days at the disposal of the House, and this afternoon affords an occasion for their discussion. Other Letters Patent conferring a Constitution upon the Orange River Colony are in an advanced state of preparation, and I think it would be for the general convenience of the House if I were to make a general statement as to the character and scope of that Constitution. With that view I have, by the direction of the Prime Minister, placed upon the Paper the Resowhich I now move, and which permits a general discussion upon, the constitutional arrangements which we are making both in the

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Transvaal and in the Orange River Colony. Now, Sir, by the Treaty of Vereeniging, Great Britain promised full self-government to the peoples of the two Boer Republics which had been conquered and annexed as the result of the war. intention of giving responsible government did not arise out of the terms of peace, although it is, of course, solemnly expressed in them. It has always been the settled and successful colonial policy of this country during the last fifty years to allow great liberties of self-government to distant communities under the Crown, and no responsible statesman and no British Cabinet, so far as I know, ever contemplated any other solution of the South African problem but that of full selfgovernment. The idea which I have seen put forward in some quarters, that in order to get full satisfaction for the expense and the exertions to which we were put in the war we are bound to continue governing those peoples according to our pleasure and against their will, and that that is, as it were, an agreeable exercise which is to be compensation for our labours, is an idea which no doubt finds expression in the columns of newspapers, but to which I do not think any serious person ever gave any countenance. No, Sir, the ultimate object was not lost sight of even in the height of the war, namely, the bestowal of full self-government; and, as all parties were agreed that some interval for reconstruction must necessarily intervene, the only questions at issue between us have been questions of manner and questions of time. First as to manner. I notice that the right hon. Gentleman the Member for St. George's, Hanover Square, the other day said that the manner in which we had given this Constitution, to the Transvaal was a breach of the terms of peace.

Mr. Lyttelton: I do not think I said that.

Mr. Churchill: I do not press the point if the right hon. Gentleman did not say so. He was certainly reported to that effect.

Mr. Lyttelton: I do not think I said it.

Mr. Churchill: Then we are agreed as to the manner, in so far as it is not suggested that there is any breach of the terms of peace in the omission of the representative Government stage. I am very glad to have that admission, because I was about to assert most clearly that, so far from being a breach of the spirit of the terms of peace, the step we are taking in the Transvaal to give full responsible government at once is a more precise and punctual fulfilment of those terms. Then, Sir, how much difference is there between parties in this House as to time? It is now more than three years since Lord Milner, speaking in the Inter-colonial Council, hore emphatic testimony to the faithfulness with which the Boersthose who had been fighting against us-had observed their side of the terms of peace. Lord Milner said:

It is perfectly true that the Boer population, the men who signed the terms of peace at Vereeniging, have loyally observed those terms and have carried them out faithfully. They profess to-day, and I absolutely believe them, that no idea of an armed rising or unlawful action is in their minds. I may say

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I am in constant, perhaps I should say frequent, communication with the men who in the war fought us so manfully and then made manful terms. differ on many points, no doubt, and I do not expect them to rejoice with us in what has happened, or to feel affection for a man who, like myself, has been instrumental in bringing about the great change which has come over the Constitution of the country. But I firmly believe their word when they come forward and meet us, and, without professing to agree in all respects with the policy of the Government, declare that they desire to co-operate in all questions affecting the prosperity of the country and the maintenance of public order. I accept the assurance they give in that respect, and I think it is practically impossible to put your hands on anything done by myself or any member of the Government which can be regarded as a manifestation of distrust of the men who have shown themselves, and do show themselves. men of honour. Let me say then, I am perfectly satisfied that so great is the influence of their leaders over the minds of the main section of the Boer population that so long as those leaders maintain that attitude a general rising is out of the question.

Those are the words which Lord Milner used three years ago, and I think they are words which do justice to the subject and to the speaker. But more than two years have passed since the representations were made to the right hon. Gentleman the Member for St. George's, Hanover Square, which induced him to confer a measure of self-government on the Transvaal. Those representations laid stress on the fact that the desire for self-government was not put forward only by the Boers, but that both sections of the community in the Transvaal desired to take the control of affairs into their own hands. The right hon.

Gentleman published a Constitution. That Constitution conferred very great and wide powers. It conferred upon an overwhelming elected majority the absolute power of the purse and control over legislation. But it has always been my submission to the House that that Constitution had about it no element of permanence, that it could not possibly have been maintained as an enduring, or even a workable, settlement; and I am bound to say-I do not wish to be controversial this afternoon if I can avoid it-that, when I read the statement that this representative Government stage would have been a convenient educative stage in the transition to full self-government, the whole experience of British colonial policy does not justify such an assumption. The system of representative Government without responsible Ministers, without responsible powers, has led to endless friction and inconvenience wherever and whenever it has been employed. It has failed in Canada, it has failed in Natal and Cape Colony. It has been condemned by almost every high colonial authority who has studied this question. I do not think I need quote any more conclusive authority upon that subject than that of Lord Durham. Lord Durham, in his celebrated Report, says of this particular system:

It is difficult to understand how any English statesmen could have imagined that representative and irresponsible Government could be successfully combined. There seems, indeed, to be an idea that the character of representative institutions ought to be thus modified in Colonies; that it is an incident of

colonial dependence that the officers of government should be nominated by the Crown without any reference to the wishes of the community whose interests are entrusted to their keeping. It has never been very clearly explained what are the Imperial interests which require this complete nullification of representative Government. But, if there is such a necessity, it is quite clear that a representative Government in a Colony must be a mockery and a source of confusion, for those who support this system have never yet been able to devise or exhibit in the practical working of colonial government any means for making so complete an abrogation of political influence palatable to the representative body.

I contend that the right hon. Gentleman's Constitution would have broken down in its first session, and that we should have then been forced to concede grudgingly and in a hurry the full measure of responsible Government which, with all due formality and without any precipitancy, the Letters Patent issued last week have now conferred. But even the right hon. Gentleman himself did not intend his Constitution to be a permanent settlement. He intended it to be a transition, and a brief transition; and in the correspondence which passed on this subject two or three years is sometimes named as the period which such a constitution might conveniently have endured-two or three years, of which, let me point out to the House, nearly two years have already gone. Seeing how little difference there is between us upon that question, I dispense with further argument as to the grant of a Transvaal Constitution, as I see the course we have adopted does commend itself to the good sense of all parties in this country and is sustained

at almost every point by almost every person conversant with South African affairs. It is said, we have heard it often said, 'It may be wise to grant responsible Government to the Transvaal. but it is not wise to give it to the Orange River Colony. Why should you give it to the Orange River Colony too?' I say, 'Why not?' Let us make it quite clear that the burden of proof always rests with those who deny or restrict the issue of full Parliamentary liberties. They have to make their case good from month to month, and from day to day. What are the reasons which have been advanced against the issue of a constitution to the Orange River Colony? A variety of reasons has been put forward. We have been told that the Colony is not ripe for selfgovernment. When you have very small communities of white men in distant and immense territories, and when those communities emerging from a wild into a more settled condition, then it is very necessary and very desirable that the growth of self-governing institutions should be gradual. But that is not the situation in the Orange River Colony. The Orange Free State was the model small republic of the world. The honourable traditions of the Free State are not challenged by any who take the trouble to study its history either in the distant past, or in the years just immediately preceding the South African War. The right hon. Gentleman the Member for West Birmingham himself, speaking in this House on 7th December, 1900, used anguage which, I think, should go far to dissipate the idle fears which we hear expressed in various

quarters upon the grant of self-government to the Orange River Colony:

We do not propose [said the right hon. Gentleman], that the constitution of the Orange Rivel Colony should necessarily be the same as the Constitution of the Transvaal Colony, either at starting or in the immediate future. It will be dealt with upon its own merits, dealt with separately, and we think it possible——

I ask the House to mark this—

from the circumstances with which every one is familiar, that an earlier beginning to greater political liberty may be made in the Orange River Colony than in the Transvaal. That is due to the fact that the Government of the Orange River Colony previous to the war was by common consent a very good Government, and consequently, speaking generally, of course, and not of individuals, we shall find there probably the means to creating a satisfactory administration more quickly than we can do in the case of the Transvaal Colony.

Then we have been told that responsible government presupposes party government, and that in the Orange River Colony there are not the elements of political parties, that there is not that diversity of interests which we see in the Transvaal, that there are not the same sharp differences between town and country, or the same astonishing contrasts between wealth and poverty which prevail in the Transvaal. And we are told that, in order that responsible government should work properly, that party government should be a success, there must be the essential elements of party conflict. I suppose we are all in this House admirers of the party system of government; but

I do not think that we should any of us carry our admiration of that system so far as to say that the nation is unfit to enjoy the privilege of managing its own affairs unless it can find some one to quarrel with and plenty of things to quarrel Then we are told that—'The country is prospering as it is. Why change now? land is tranquil, people are regaining the prosperity which was lost in the war. It is a pity to make a change now; now is not the moment.' I admit the premise—I shall have something to say before I sit down about the economic conditions of the Orange River Colony-but I draw exactly the opposite conclusion from that premise. It is just for that reason that we should now step forward, and, taking occasion by the hand, make an advance in the system of government. How often in the history of nations has the golden opportunity been allowed to slip away! How often have rulers and Governments been forced to make in foul weather the very journey which they have refused to make prosperously in fair weather! Then we are told that Imperial interests would be endangered by this grant. I do not believe that that is so. The Boer mind moves by definite steps from one political conception to another. I believe they have definitely abandoned their old ambition of creating in South Africa a united state independent of the British Crown, and have accepted that other political ideal which is represented by the Dominion of Canada and the Commonwealth of Australia. At any rate, no people have a greater right to claim respect on the ground of their loyal adherence to treaty engage-

ments than the people of the Orange River Colony; for every one knows that it was with a most faithful adherence to their engagements, with almost Quixotic loyalty, that they followed, many of them knowing where their fortune was going to lead them, knowing full well what would be the result of their action, their sister State into the disastrous struggle of the South African War. It is quite true that there is in existence at the present time, and I think Lord Milner has pointed it out, no bond of love between the men who fought us in that war and this country. I was reading the other day a speech by Mr. Steyn. Mr. Stevn is, of course, one of the most clearly avowed opponents of the British power. Mr. Steyn is quite clear upon this point. He says there is no bond of love, and it would be untruthful and dishonest on their part to say that such a bond existed. But, he says, there is another bond, there is such a thing as a man's word of honour; 'We gave our word of honour at Vereeniging, and it is our intention to abide strictly by that.' I state my opinion as to the safety of this step we propose to take, but I cannot expect right hon. Gentlemen opposite to set much store by that, although it is an honest and sincere opinion. But I will quote them an authority which I am sure they will not dismiss without respect. As soon as the right hon. Member for West Birmingham returned from South Africa, while his experiences in that country were fresh in his mind, while he had but newly been conversing with men of all parties there on the spot, the scene of the struggle, he made a

speech in this House which really ought not to be overlooked by persons dealing with this question.

Great importance [said the right hon, Gentleman] seems to be attached to the view that in the interests of the two Colonies it is desirable that a certain time. not a long time, in the history of a nation, but still a certain time should clapse before full self-government Whether a long time will clapse I really cannot say. One thing is clear; if the population of the Transvaal and Orange River Colony, both Boer and Briton, by a large majority, desire this selfgovernment, even although it might seem to us to be premature, I should think it unwise to refuse it. do not myself believe there is any such danger connected with Imperial interests that we should hesitate to accord it on that ground. The ground on which I should desire that it might be delayed is really the interest of the two Colonies themselves, and not any Imperial interest.

Mr. Swift Macneill: What date was that?

Mr. Churchill: 19th March, 1903, three years The peace and order of the Orange River Colony establishes this case on its merits. a State bound to moderation by the circumstance of its geographical position. In all its history in South Africa it has been largely dependent on the good-will of its neighbours, good-will and friendly relations maintained with Natal and the Transvaal on the one hand, and with the Cape Colony It is inconceivable that a State so on the other. situated in regard to its railways and its economical position generally should be a disturbing influence from the point of view of the different States of South Africa. But there is another fact which justifies this grant, and that is the extraordinary crimelessness in a political sense of the whole o

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that country. Let the House remember that there had been three years' war, of which two years were fierce guerilla fighting, and that on all sides there were to be found desperate men who had been for a long period holding their lives in their hands and engaged on every wild and adventurous foray. Peace is agreed on, and what happens? Absolute order exists and prevails throughout the whole country from that moment. There has not been a single case of violent crime except, I believe, one murder committed by a lunatic-hardly a case of sedition-and not a single case of prosecution for treason of any kind. I say without hesitation that in order to find a similar instance of swift transition from violent warfare to law-abiding peace you have got to look back to the days when the army of the Parliament was reviewed and disbanded at the Restoration. I submit to the House that a case for conferring responsible Government on the Orange River Colony is established on its merits. But that is not the whole question before us this afternoon. We have not merely to decide whether we will give a Constitution to the Orange River Colony, but whether having given a Constitution to the Transvaal we will deliberately withhold one from the Orange River Colony; and that is an argument which multiplies the others which I have used. On what ground could we refuse the equal treatment of the Orange River Colony? There is only one ground which we could assign for such a refusal, and that is that in the Orange River Colony there is sure to be a Dutch majority. I cannot conceive any more fatal assertion that

could be made on the part of the Imperial Government than that on this specific racial ground they were forced to refuse liberties which otherwise they would concede. I say such a refusal would be an insult to the hundreds and thousands of loyal Dutch subjects the King has in all parts of South Africa. I say that this invidious treatment of the Orange River Colony would be the greatest blunder, a fitting pendant to all that long concatenation of fatal mistakes which has marked our policy in South Africa for so many years: and I say it would be a breach of the spirit of the terms of peace, because we could not say, 'We promised you self-government at the terms of peace, but what we meant by that was that before you were to have self-government enough persons of British origin should have arrived in the country to make quite sure you would be outvoted.' If we were to adopt such a course we should be false to that agreement, which is the great foundation of our policy in South Africa. I hope the House will earnestly sustain the importance of that Vereeniging agreement. the first time in many years the two white races dwelling together in South Africa have found a common foundation on which they can both build, a foundation much better than Boomplaats,1 or the Sand River Convention,2 or the Conventions of 1881 and 1884, far better than Majuba Hill or the Jameson Raid. They have found a founda-

¹ The scene of Sir Harry Smith's victory over the Boers, August 29, 1848.

² Recognizing the independence of the Transvaal Boers, January 17, 1852.

tion which they can both look to without any feeling of shame, on the contrary with feelings of equal honour, and I trust also with feelings of mutual forgiveness. On those grounds, therefore, we have decided to give to the Orange River Colony full responsible government. We eschew altogether the idea of treating them differently from the Transvaal, or interposing any state of limited self-government between them and the full enjoyment of their right. There is to be a Legislature which will consist of two Chambers, as in the Transvaal. The first Chamber will be elected upon a voters' basis and by manhood suffrage. The residential qualification will be the same as in the Transvaal, six months. The distribution of seats has been settled by general consent. The Committee which we sent to South Africa, and which was so very successful in arriving at an adjustment between the parties in the Transvaal, have made similar investigations in the Orange River Colony, and I think we may accept with confidence their recommendation. They recommend that the number of members should be thirty-eight. The old Volksraad had sixty members, but it was found to be much too large for the needs of the country, and on several occasions efforts were made to reduce the representation. Those efforts were not successful. from the fact, which we all can appreciate, that it is very difficult indeed to get a representative body to pass a self-denying ordinance of that character which involves the extinction of its own members. There will be separate representation of towns in the Orange River Colony.

In the Volksraad there was such a representation. there were forty-two rural members and eighteen urban members. Out of the thirty-eight we propose that there shall be twenty-seven rural members and eleven urban members; rather less than a third of the representation will be that of the That is a proportion which is jussmall towns. tified by the precedent of the old Constitution, and also by the latest census, of 1904. As in the case of the Volksraad, every magisterial district will be represented. The allocation of members among the constituencies thus delimited will proceed on an arithmetical basis. We take the adult males in the census of 1904, and arrive at our quota for distribution, which is 1,058. Half a quota entitles a town or a district to a member, and an additional whole quota entitles a town or district to a second member. That is an arithmetical device to govern the working of automatic redistribution, and to regularise a distribution otherwise supported by precedent and by general agreement. I will read the schedule of the constituencies. There will be two members each to the districts of Bloemfontein, Kroonstad, Rouxville, and Winburg; one member each to the districts of Bethlehem, Bethulie, Boshof. Edenburg, Ficksburg, Frankfort, Harrismith, Heilbron, Hoopstad, Ladybrand, Lindley, Philippolis, Senekal, Smithfield, Thaba 'Nchu, Vrede, Vredefort, and Wepener; one member to the districts of Fauresmith and Jacobsdal together. The following are the towns. Bloemfontein, five members: Harrismith and Kroonstad, one each; one member for Bethlehem, Fouriesburg, and

Ficksburg together; one for Jagersfontein and Koffyfontein together; one for Parys, Vredefort, and Heilbron together; and one for Ladybrand and Thaba 'Nchu together. There will be a Second Chamber, and, as in the Transvaal, it will be nominated, and for the first time only. It will be nominated by the Governor under instructions from the Secretary of State, and vacancies will be filled up by the Governor in Councilthat is to say, the Governor on the advice of his responsible ministers. A Second Chamber is not, perhaps, a very pleasant object for us to contemplate; but, at any rate, it is not an hereditary Chamber; and it may be, therefore, assumed that the distribution of parties in that Chamber will be attended by some measure of impartiality, and that there will be some general attempt to select only those persons who are really fit to exercise the important functions entrusted to them. even so protected, the Government feel that in the ultimate issue, in a conflict between the two Chambers, the lower and representative Chamber must in the end prevail. The other body may review it proceedings, may delay them, but if measures are sent up in successive sessions from the representative Chamber and no agreement can be reached, we have introduced the machinery which appears in the Constitution of the Australian Commonwealth, that both Chambers shall sit together, debate together, vote together, and the majority shall decide. The whole success of that operation depends upon the numerical proportion observed between the two Chambers. In the Australian Commonwealth the proportion is rather more than two to one, but in the Transvaal the proportion will be more than four to one. namely, sixty-five to fifteen; and in the Orange River Colony it will be thirty-eight to eleven. Members of both Chambers will receive payment for their services; £300, a year is the maximum that can be paid to any member; £150 is paid to a member with £2 a day extra for every day of attendance in the course of the session. I am sure that such a wise provision will have the effect of limiting the length of the session very much, and no doubt, if it were included in a measure for the payment of members introduced in this House, it would receive the widest support from all parties. The other provisions of the Constitution will mainly follow the lines of the Transvaal. There will be the same reservation in regard to legislation which imposes a difference between man and man on account of race. reservations are common in all colonial Constitutions. I think we could not do more: we could not. I am sure, have done less. There will be a schedule of pensions for retiring officers of the Executive, as in the case of the Transvaal, and that schedule will be calculated strictly upon the Treasury rule which prevails in this country. For every year of service one-sixtieth of the salary is allowed, but on account of the abolition of office, when the service has exceeded five years, five years additional will be allowed, and in the case of professional attainments, following the Treasury rule in this country, ten years extra will be allowed in the case of the Attorney-General, both of the Transvaal and the Orange River

Colony. The sums involved arc smaller sums than have attended the grant of self-government There will be very nearly the in other Colonies. same reservation in respect to land settlement. I will remind the House that on 5th July last I had to outline certain proposals which we intended to make to various parties in South Africa. We inquired whether any local support would be given to the plan for continuing the planting of new settlers on the land. We could get none. No effective support of any kind was forthcoming for the continuance or the expansion of that system. Even those gentlemen who undertook to underwrite the loan of £10,000,000 which was to be repaid to this country evinced no special desire to come forward and apply a smaller proportion of that sum for the purpose of land settlement. Therefore the Government have abandoned the matter altogether. But in regard to the existing settlers we feel under a distinct obligation. We feel that a sympathetic administration was one of the essential conditions of their tenancies, and we feel that a Land Board, nominated and formed as outlined in the Transvaal Letters Patent, is the only effective way of interposing a screen between mortgagor and mortgagee. But in making this arrangement I repudiate altogether any slur upon the humanity or sense of justice of the Boers or any other section which will vote in the election of the new Parliament. The Boers, indeed, are the last people to be uncharitable to the farming people. But we are bound to deal directly with the settlers. We have been informed-and although I do not like

the language which has been used, I cannot quarrel with it in substance—that it is an obligation of honour upon the Imperial Government to relieve these settlers from any anxiety which they genuinely feel, and which is shared by hon. Gentlemen opposite. Therefore we have decided to elect a Land Board as described—a Land Board which will have no power to put any more new settlers on the land, which will last only five vears to enable the existing settlers to take root, and which may be dissolved sooner if it is found satisfactory to all parties. In regard to the contribution which it was proposed to secure to this country as a payment towards the expenses of the war, the Government fully and frankly forgive and obliterate, and let us trust also forget, any obligation which may have been incurred on that head. We put that away. Let the House not overlook the fact that in the expectation of a payment of that character this House was induced to guarantee the interest of the loan of £35,000,000, the saving thus effected amounting to £350,000 a year: or, in other words, a permanent endowment of £350,000 a year has been conferred upon the people of the two colonies. That fact must be regarded as establishing an acquittance in full on the part of the Imperial Government for any claims—for any further compensations or for any outstanding obligation-no matter where or by whom they may be in future brought forward. What is the condition of the Orange River Colony to whom we are now going to entrust a Parliament for the management of its own affairs? It has long been noticed how very rapidly a country

devastated by war recovers from the effects of That is especially true of the Orange River Colony. Not only has the ruin of the country been most swiftly repaired, but every evidence shows that when the live stock have multiplied. as they must in the course of a few years, the country will have risen to a level of prosperity far above anything it has ever known before. population has increased from 96,000 before the war to 143,000. The railways have doubled. from 400 miles to 800 miles. Telegraphs have more than doubled, from 1,700 to 3,700. In 1898 Customs amounted to £1,190,000, and vielded £160,000 in duty at a cost of £8,500 in collection. In 1904-5 Customs amounted to £4.050.000. yielded £314,000, and cost in collection £8,100. Although there has been no extra taxes, except the 10s. poll tax, ear-marked for educational purposes, and no grant-in-aid, and large railway rebates have been made, the revenue of the country, which before the war was £301,000, has increased to between £700,000 and £800,000 a year, and, after providing improved Government buildings of all kinds, museums, colleges, and hospitals, there remains a balance of £150,000, accumulated out of annual savings. Schools have been rebuilt and multiplied. Before the war there were 8,000 children in 200 schools, with 313 teachers. There are now 16,000 children in 262 schools and 515 teachers. Mails have increased from 17,000,000 in 1898, to 43,000,000 last year. The Bloemfontein monthly delivery alone has increased from 1,900 to 56,000. Against all that it must be stated that there is a debt charge on

the country. What the amount of the debt is one cannot accurately ascertain: but it is something under £10,000,000, and that is the ghost of the ruin of the war which is now passing away for ever from the land. These figures reflect great credit on Sir Hamilton, Goold-Adams and those who have been associated with him in the work of restoring the industry and prosperity of the Orange River Colony. I say that with all the more satisfaction, because when my knowledge of the country was not so full as it has since become I used a phrase which might possibly be considered disparaging of the work which Sir Hamilton Goold-Adams and his assistants have brought in so short a space of time to so marvellous a completion. The Constitution of the River Colony will become effective as soon as' possible. It will be necessary to prepare Letters Patent, as in the case of the Transvaal, and these L should hope will be issued before Parliament meets after the Christmas holiday. Before the Letters Patent come out we shall set to work to form a register of voters and appoint a Boundaries Commission.1 The work of this Commission will take a considerable time, and I do not expect it will be completed until June of next year. So I should think that the new Parliament might assemble in Bloemfontein some time during the autumn of next year. When that work has been completed, and the new Parliament has assembled, the main direction of South African affairs in these Colonies will have passed from our hands; and I am sure it will be the wish of this

¹ The Letters Patent were dated June 5, 1907.

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democratic House of Commons, which has created these new Parliaments in the first year of its life, to secure to them in the fullest manner the enjoyment of the liberties with which we have endowed them.

Motion made, and question proposed, 'That this House approves the grant of Constitutions conferring responsible government upon the peoples of the Transvaal and Orange River Colonies.'—Mr. Churchill.

2. THE EARL OF CREWE'S SPEECH ON THE SOUTH AFRICA BILL

House of Lords, July 27, 1909

My Lords, I rise to ask your Lordships to give a Second Reading to the South Africa Bill, a Bill which closes one chapter in the history of South Africa and begins a new one. It closes a chapter which has been varied and sometimes agitated. but on the whole not inglorious or unfruitful. opens one in turning the first pages of which we feel hopes for the future which we believe that the circumstances fully justify. My Lords, this is not the time or the place for anything like a long historical disquisition on the causes which have led up to this proposal for the Union of South Africa: but I think it is not unsuitable that I should endeavour to trace very briefly some points in that history and some of those causes.

Of all the Dominions of his Majesty the King, South Africa is the one which least of any represents a long, conscious attempt towards a White settlement and the development of a great White community. During the 400 years and more that South Africa has been known to Europe—during the greater part of those 400 years it has been

treated as a stopping-place on the great highway to the East, rather as a wayside inn than as a place of permanent sojourn. Both the Portuguese and the Dutch, and finally the British, who have in turn occupied different parts of the country, have, in the main, so regarded it; and it is from this fact that we can trace many of the vicissitudes of government through which South Africa has passed, and what may be almost called the fortuitous birth of the colonies which compose it.

Some of the colonies started simply as ports of call on the coast, and filled up from time to time by refugees and others from Europe they gradually pushed their way inland, often, as we know, with serious opposition and difficulty caused by the native tribes. Other colonies represent the work of pioneers who pushed their way far into the wilderness, for the most part escaping what they conceived to be an unsympathetic form of government. From the time when the Cape became British, in the year 1814, history tells us that there has been from time to time more than one movement to escape from the somewhat uninformed control exercised from this country. most famous of those movements was what is known as the Great Trek of 1836. I am afraid, my Lords, it must be admitted that the domestic virtues of Downing-street have sometimes been Imperial vices. The whole tone and trend of policy of a great part of the nineteenth century certainly did not tend towards the union or amalgamation of the different races which by that time had found in considerable numbers their

homes in South Africa. To abolish slavery was a good thing in itself, but even slavery may be abolished in a sympathetic spirit and with due regard to the losses which those who owned the slaves might sustain. But, my Lords, for many years past there have been gropings in the direction of union of which I may venture briefly to remind your Lordships.

The man who, I think, might be described as the father of the idea of South African union was that very distinguished Colonial Governor, Sir George Grey. When Sir George Grey was there in 1858 the Orange Free State made advances towards some system of federation or unionadvances which he, the man on the spot, of whom we have heard so much since, was in favour of meeting. But in those days, as I have said, the idea of such union was not very palatable at home. The Colonial Secretary of that day was Sir Edward Bulwer-Lytton, whom I have heard Mr. Gladstone describe as in many respects one of the best of Colonial Secretaries, and the Under-Secretary was Lord Carnaryon. Neither of these men was prepared to take this particular responsibility. Lord Carnaryon, if I remember rightly, described Sir George Grey as a very dangerous man, and the result was that nothing was done.

But later on the mind of Lord Carnaryon became affected by different influences. In 1867 he was responsible to a great extent for the British North America Bill, by which the Dominion of Canada was created, and the success of that measure undoubtedly induced him to make some further attempt towards uniting the Colonies of South Africa. Accordingly, in 1876 and 1877, that movement towards union took place, which unfortunately came to nothing, inspired, as it was, by high motives, but not, perhaps, carried out with complete understanding. It failed in one respect, if I may adopt a phrase used by my noble friend Lord Selborne—it failed because it was not home-made. It was suggested and was almost attempted to be forced on the colonies from here, and consequently it was abortive.

Then, as your Lordships know, in 1877 the Transvaal was annexed and in 1881 it was restored, and I need not remind your Lordships of the chequered series of events which finally led up to the war between this country and the Dutch Republics. I will only remind your Lordships that in 1872 Cape Colony received full responsible government and that Natal received it in 1893. My Lords, after the war, when peace was declared in 1902, a new section of history naturally began, and from that time the movement for union which culminates in this Bill has been progressing.

If I may diverge for one moment, I have remarked with some amusement, but also, I confess, with some regret, the fear which has been publicly expressed by some of those who do not agree with us in politics that his Majesty's Government are likely to claim an undue share of credit for this Act of Union. I do not know exactly what we have done to excite those fears. But the result has been that, both freely in the Press and also, I think, freely on the platform, attempts have been made to show that a great part of the

credit for this Act belongs to our predecessors. in particular to Mr. Chamberlain and to the noble Viscount on the Cross Benches, Lord Milner. I have no intention of entering into any discussion of questions of this kind on the present occasion. Neither the right hon, Gentleman nor the noble Viscount has, so far as I know, put forward any such claim on his own account. They would prefer, I have no doubt, just as I greatly prefer, to leave questions of that kind to the verdict of history. The Macaulays and the Froudes of the future, in writing the history of this time, will have their heroes and their malefactors, as their predecessors have had. Indeed, I am not sure that some gentlemen, perhaps not exactly Macaulays or Froudes, have not already started the process. But the historian of the future, whoever he may be, and without raising any question of credit. will undoubtedly point out that this particular Act of Union has been made possible by the action of the Government of the late Prime Minister, Sir H. Campbell-Bannerman, in sending the Commission to South Africa in 1906, with the result that the two Colonies-the Transvaal and the Orange River Colony, as it was then calledobtained responsible government. And when dealing with questions of credit the historian will, I think, point out that that action was undoubtedly due to the general political creed held by the Government, to their more robust faith in the virtues of self-government as such than their predecessors probably held. I do not think I should be greatly wronging the party of noble Lords opposite if I were to say that they would prefer in the main to adopt the eighteenth-century maxim,

For forms of government let fools contest, Whate'er is best administered is best.

and to hold that outside this island self-government is a remedy which should be administered with the greatest possible caution. The historian of the future may perhaps point out-perhaps he will—that in these matters to do the thing at the right moment counts for much, and that if that act had been much longer postponed it was at any rate possible that there might have arisen on the one side a hard temper of ascendancy and on the other side a sullen spirit of dissatisfaction which might have rendered it difficult to perform the act at all. If that be so, then I do think that credit is especially due to two men-to the late Prime Minister, Sir Henry Campbell-Bannerman, and my predecessor, Lord Elgin-for the part they took in that matter.

My Lords, when we pass from how this Union was made possible to how it was carried out, we can then abolish the figure of the historian and can distribute the necessary credit without any fear of being in error. First and foremost, credit belongs to the remarkable band of statesmen in South Africa, representing all parties and both races, who have set to work and carried through this business. We are glad to know that almost all of them have been able to come to this country and see their work through. They have been welcomed here, and will be welcomed as long as they stay with us, by persons of every class and

every party. Their names are, most of them, household words to us all. I will only mention one, because he presided over the delegation, my friend Sir Henry de Villiers, to whose skill and experience so much of the success of this measure is due. The others I will dispose of in a single line-

Ductoresque alii quos Africa terra triumphis Dives alit.

Then, my Lords, I must not forget to acknowledge the help that was given by the different Governors representing his Majesty in South Africa, and in particular I must mention my noble friend Lord Selborne, who for the time being is out of the main rushing current of politics and seated in a placid back water on the Cross Benches of your Lordships' House. We have all been grateful for the industry and the skill which Lord Selborne has shown in the part which he has played.

Now, there were two great motive forces which propelled South Africa towards union. In the first place, there were the Imperial considerations which made South African statesmen desire to form a union which could take a place in the Empire beside the Dominion of Canada, the Commonwealth of Australia, and the Dominion of New Zealand, and that was undoubtedly a strong motive. But in addition to this, there were, of course, local and practical considerations of the first importance. In the first place, there was an obvious and desirable economy in working the four colonies as one. In the second place—and this, I think, perhaps more than anything, was

the immediate cause which brought practical men to see how necessary union was—there were the difficulties and complications arising out of the railway systems of the different Colonies." What those difficulties were I will not trouble your Lordships with at this moment; but I may, perhaps, be allowed to say that when Lord Milner was administering both the Transvaal and the Orange River Colony he did his best to diminish those difficulties and differences by amalgamating as far as possible the railway systems of those two Colonies. Then, there were questions arising out of the Customs, also a complicated subject with the details of which I will not trouble the House. All these practical considerations affected the minds of practical men there, and the result was that early in the year 1907 a communication was made first from the Cape which inspired an important and interesting Memorandum on the subject prepared by Lord Selborne, with which, I dare say, some of your Lordships are familiar. The year 1908 was taken up with conferences which led to the formation of the Convention, which, as your Lordships know, met first at Durban, where we were glad to be able to send a squadron of the British Navy to do honour to the occasion, afterwards at Cape Town, and, lastly, at Bloemfontein. Now the Bill having passed the respective South African Parliaments, the delegation have come here, and the result is this measure which I now submit to your Lordships.

The form of this Bill, I may say in passing, follows rather the Canadian than the Australian model. The second part of the Bill, which

describes the union, leads me to remark that, in my judgement, South Africa was wise to decide on a system of union rather than on a system of federation. .The system of federation is one which is always naturally favoured by the smaller members of a great polity. A system that makes Delaware and Nevada the equivalents, for the purposes of the Constitution, of New York and of Pennsylvania is one which is naturally favoured by the former States. It was naturally in Natal that the greatest doubts arose as between federation and unification, and I should like to bear witness to the wise and steady guidance of the Natal Government in this matter, which resulted in the gratifying fact that when the Bill was submitted to a popular referendum a majority for it was obtained in every district to which it was referred. My Lords, I need not dwell on the appointment of the Governor-General, who naturally replaces the existing Governors, or on the formation of the Executive which follows the usual rule in such matters. But I pass to the fourth part of the Bill, which deals with the constitution of Parliament.

The Parliament, as is the invariable rule in the British Empire, will consist of two Houses. Upper House—the Senate—consists gentlemen elected from each of the four Colonies. with eight others nominated, four of whom, as I particularly beg you to observe, are to be selected owing to their acquaintance with native affairs. Provisions are made in Clauses 25 and 26 of the Bill for the future election of the Senate. The House of Assembly consists of 121 members drawn in varying proportions from the different colonies, a certain preference in numbers being given to the smaller provinces, as they will become. There is a provision for increasing their number as population increases, and on that I ask your Lordships to note that the quota for that increase is confined entirely to the European male adults. The country will be divided into electoral divisions, and in the 40th Clause there are five considerations indicated which the Commission may bear in mind in delimiting—such as physical features, means of communication, sparsity and density of population, with the possibility of allowing fifteen per cent. margin on the quota either way.

When we come to the qualification for sitting in either House we approach a point which has been the subject of much discussion and as to which many protests have been made. Those who sit in either House of Parliament have to be of European descent. So far, the position is that in the Cape Colony no such restriction has hitherto existed. On the other hand, no one not of European descent has ever sat in the Cape House of Assembly. I say frankly that there does seem to me to be a strong case against the insertion of such a provision in this Act or in any Act. There are men not of European descent who are of high standing, of high character, and of high ability. They regard this provision as a slight, and we regret that any loyal subjects of the King should consider themselves slighted.

On the other hand, the difficulties which have confronted those who have prepared this Bill were no doubt considerable. In the first place, it is

only in the Cape that the native has a vote; and therefore it would seem anomalous to allow a man to sit in an Assembly for which the class to which he belongs have not a vote in the greater part of the Union. It is also fair to point out that in the Australian Commonwealth a similar restriction exists, so that therefore, this cannot be said to be without precedent. It is also true that the grievance is probably not a practical one, because if it was the case that no coloured member was elected to the Cape Assembly in the past it is extremely improbable, at any rate for a long time to come, that any such would be elected to the Union Parliament. The fact which has decided us in not attempting to press this matter against the wishes of the South African delegates has been that this is undoubtedly one of those matters which represents a delicately balanced compromise between themselves. As a Government we cannot take-and personally I am not prepared to take—the responsibility for the possible wrecking of this Union measure altogether by a provision of this kind; and I am assured that such would be the result of any attempt to insert such a provision in the Bill. The cause of those who desire this change to be made has been pressed with deep feeling and much eloquence by some of the natives themselves, and by those who specially represent their cause. But I do feel that if this change is to be made it must be made in South Africa by South Africans themselves, and that it is not possible for us, whatever we may consider to be the special merits of the case, to attempt to force it upon the great representative body which

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with absolute unanimity demands that it should

not appear.

I pass to the question of the franchise, which is one that has also raised a consideration of some difficulty. At present in the Cape Colony any man, whatever his colour, who possesses £75 worth of property or £50 a year, and who can write his name and address, can get a vote. In Natal the provisions for obtaining a vote are somewhat similar; but, as a matter of fact, the native has to obtain what is called a letter of exemption, with the result that very few natives indeed are on the register. In the Transvaal and in the Orange River Colony there is manhood suffrage for Whites, and no native vote at all. It is obvious from that description how difficult the problem was if there was to be any question of instituting a uniform franchise all over the Union. It was ultimately decided that Parliament was to prescribe the form of the franchise, it being, however, provided that the Cape vote should be saved to the native unless it was decided by a two-thirds majority of both Houses sitting together to abolish the native franchise there. This is said by those who desire to see the interests of the native in every way protected to involve a somewhat serious risk that the Cape franchise itself might be done away with. think we may assume that, as far as the rest of the Union is concerned, it will be in future a white franchise.

It would require, as you see, some 106 members of both Houses sitting together to abolish the franchise at the Cape. I think it may be assumed

that it would require more than this, because it is not likely that the nominated Senators, especially those who are appointed for their interest in the natives, would be likely to join in a venture of that kind. Therefore, from that point of view. as far as South Africa itself is concerned, there does not seem to be much risk. It has also to be remembered that this is a matter on which we could not say that the power of disallowance which, of course, belongs to the Crown, would not be exercised. Certainly it is not too much to say that the disfranchisement of a class who had held this power of voting so long would be viewed here with very deep disappointment. Disfranchisement is always an odious thing in itself, and if it were to be applied in this particular manner I am bound to say that it would assume a somewhat specially odious form. Consequently I myself refuse to believe that there is any probability that this particular provision will be carried into effect. Looking at it as a purely abstract question, we could wish that the safeguard might be even stronger, but such as it is I am prepared to consider it strong enough. I may remind your Lordships also that there is a provision for the reservation of all constitutional Bills, and for reservation subject to instructions received from the Crown; and all Bills which desire to alter any provision in the Schedule are automatically reserved

I will touch briefly on the creation of the new They will be governed by administrators appointed for a term of years by the Government and by Councils, and it is worth noting that as far as the Cape is concerned the natives can both vote for and sit on the Provincial Councils. The Ordinances of the Provincial Councils will be subject to the approval of the Governor-General in Council. There is a list of subjects with which the Provincial Councils may deal, and there is a provision for purely local subjects being reserved to them. But all such matters as Crown lands, public works, mines, and so forth are by the Bill left in charge of the Union Parliament.

I pass quickly over the creation of the judiciary. It is a great thing that the whole of the judicial body of South Africa should be united into one High Court. I merely touch on the question of appeal to the Privy Council, to say that if it should appear to any one who studies these provisions that the right of appeal is more restricted in this Act than it is in some other Acts dealing with the self-governing dominions, it is due to the fact that this single High Court is created for the whole of South Africa. Nor do I dwell on Part VII of the Bill, which deals with finance and railway matters, further than once more to enforce the opinion as to the immense gain which it is to bring the railway system of South Africa under one control and one management. Clause 137 prescribes equality between the two languages, and Clause 147 makes special provision for the control of subjects affecting Asiatics being left to the Union Parliament. As your Lordships know, there have been in more than one Colony some difficulties in the past arising out of the presence of Asiatics there and out of

the regulations made concerning them. It will be a still further benefit if the establishment of this Union enables South Africa to dispose of those difficulties, and I sincerely hope that such may prove to be the case.

Then the native lands are safeguarded by the same clause. That brings me to Clause 151 of the Bill, the clause which enables what are known as the Protectorates possibly at some future time to be transferred to the care of the Union under regulations provided for in a Schedule. South African Union finds itself in a unique position—a different position from that of any other part of the Empire. Not only has it got a vast native population within its borders, but just outside its borders, and in one case entirely surrounded by the Union itself, there are whole countries, hitherto directly administered by the Crown, in some cases almost entirely inhabited by natives and carried on under the immemorial tribal system. Those Protectorates have been under our direct administration, and towards them we feel that we have a very solemn duty indeed. They were, speaking generally, not conquered by the arms of Great Britain, but came voluntarily under our control. They feel a profound confidence in the British Government, a confidence which has been largely inspired by able men who from time to time have administered them, and, when the question of union became urgent, we had to consider what was the best course to take in view of our honourable obligations towards the Protectorates. We felt bound to regard ourselves as trustees for these

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bodies of natives, and considering that it does not do for a trustee to hand over his trust to another man, however great his personal confidence may be in him, without a guarantee that the trust itself will be taken over, we decided to ask South Africa to accept the provisions embodied in the Schedule. Some opposition has been raised to the Schedule from two very different quarters. Some think that under no circumstances ought the native Protectorates to be handed over to the Union at all.

Here I may say that we have no desire, we are in no hurry, to hand over these areas to any one. They are contented, they are not otherwise than prosperous, and we have no desire to part with them; in fact, they have expressed themselves as averse to passing from under the direct administration of the Crown. But we do feel that in any case that suggestion involves an impossibility. It does not seem conceivable that for an indefinite future these areas should remain administered from here and that the new South African Union should have no lot or part in their administration. Nor do I believe, in view of the varying circumstances of these districts, that it is possible to name a time limit and say, at any rate, we will not hand over a particular area for a fixed number of years. That is a course which might have its attractions, but, if you do that, it seems to me you cannot combine that provision in the Bill with the existence of the terms embodied in the Schedule, because although we do desire not to hand over the Protectorates, yet the existence of the Schedule undoubtedly contemplates their being possibly handed over at some time to be fixed by agreement.

On the other hand, there are those who contemplate the Protectorates being handed over, but consider that it is not necessary to make any preliminary arrangement with regard to them, and that it would be better to wait and deal with each case as it arises. To my mind there are strong objections to that course. It is extremely advantageous to lay down, as we have laid down in the Schedule, with the full concurrence of South African opinion, certain general principles in order that continuity of administration may exist, and in order that, above all, uncertainty may be avoided. By introducing this Schedule we at any rate obtain a certain uniform and agreed standard of administration. What weighs with me as much as anything is that the natives themselves are not anxious to be transferred, but, admitting that they may be some day transferred. actively desire the incorporation of a charter such as this in the Act itself. To me those reasons seem conclusive for the existence of this somewhat unusual form of provision in the form of a Schedule.

I will now give a brief outline of what the Schedule does. The Schedule lays down that the Government should legislate for and administer the Protectorates when they are taken over; and when I say the Protectorates I, perhaps, need hardly say that I am alluding to Basutoland, though strictly it is not a Protectorate, to Bechuanaland, and to Swaziland. It is the name by which they have for convenience been

described. The Government will legislate by Provisional Order, which will be laid on the Table of the House of Parliament in the ordinary way. It may be asked, What is the object of this provision? If these native territories are going to be handed over, why not let them be legislated for by Parliament like the rest of the country? may have an almost unqualified admiration for Parliamentary government, and yet may be disposed to think that a Parliament in which certain people are not represented may not be the best machine for administering the daily life of those people, particularly when the constituents of those who sit in the Parliament may have interests at direct variance with the interests of those for whom it is proposed to legislate. Consequently it is the absence of representation—because no one supposes that if taken over these natives will be represented in Parliament—which is the basis of the proposals in the Schedule. proposals involve the institution of something in the nature of a permanent buffer between the territories and Parliament. The Prime Minister. or a regularly appointed deputy nominated by him, is to be the Minister responsible for the government of these territories, and he will be advised by a Commission which will undoubtedly be composed of men of distinction and experience, not removable except by a vote of both Houses of Parliament. This will involve, as we hope, and secure that continuity which of all possible considerations in dealing with natives is perhaps the most necessary of any.

There is always a danger, in attempting to govern

a native country, of causing the natives to become the plaything of the varying policy of parties—parties the existence of which may depend on entirely extraneous matters with which they themselves have no concern. We have here been able to keep clear of that difficulty and danger by being so far removed in our Parliament from those great areas which we administer directly. But it is a difficulty which I am certain might probably arise in South Africa without the creation of some such body. For that reason I am glad to know its creation is welcomed by many South African statesmen. This body possesses a certain analogy—though not an analogy that must be

ridden too hard—both in its composition and its functions with the Council which in London advises the Secretary of State for India. It has, however, certain powers, larger than those of my

noble friend's Council, of recording dissent. Then the Schedule provides against the alienation of native lands, which involves the prohibition of indiscriminate prospecting; it provides against the supply of liquor to natives; provides that the restrictions which may exist in any of these territories on the supply of liquor to other than natives shall not be weakened if the territories are taken over. It also provides for the permanence of the native assemblies which have existed heretofore. These are the securities which we conceive to be given by the Schedule. It would not have been proposed from South Africa itself; but I believe it has been frankly accepted by South Africa, and that its actual provisions obtained the approval in the main

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of those who are entitled to speak for the Union.

One point has been raised, and may possibly be raised again. It might be said, What security have you when the Union is formed and the customs and the railways of South Africa are in one hand, that these territories, while they are still under your control, may not be subjected to differential duties or to differential railway rates? We do not guard in the Act against action of that kind. But I am assured that the delegates see no reason whatever to doubt that the liberal policy pursued in regard to these enatters—that is to say, by which the territories have been admitted to the Customs Union-will be continued so long as the territories remain under our control. I am quite prepared frankly to accept that opinion—which is as much, no doubt, as it is possible for the delegates to give, because they cannot answer for the doings of a Government which is not yet formed—I am prepared to accept that opinion and to agree. I do so for two reasons -first, because that opinion was freely and willingly given; and, secondly, because any action of the kind directed against a territory under the administration of the Crown would be so grave from every point of view, would approach so nearly to what, in the language of diplomacy, would be described as an unfriendly act, that I do not for a moment contemplate the possibility of any such occurrence.

Before I sit down I should like to ask you to consider for a moment what the Union does. I have spoken of the political and economic advan-

tages which it must bring in its train to South What may the Union be also expected. to do in the less visible but not less important sphere of human relations? This union of colonies marks, as I believe, a great advance in the fusion of the races which inhabit South Africa. inhabitants of South Africa are some of British. some of Dutch, and some of French Huguenot descent. Their ancestors through many years of history suffered and fought for freedom. They underwent forfeiture and exile and imprisonment, and on the scaffold and on many battlefields they bore witness in the cause of civil and religious liberty. It would have been one of the most tragic ironies of all history if men descended from such races as those had remained permanently estranged. Now I hope we may look forward to seeing them joined in a free union under the supremacy of the British Crown, with a guaranteed freedom, for as many years in front of us as the imagination of man can venture to look.

It has been the peculiar good fortune of this movement towards union that some of the actual work of union has been done in the process of discussion by bringing into intimate personal relations the different South African statesmen. soldiers, and lawyers who before that time may have known but little of each other. The result of union will be that the whole past history of South Africa will become the common possession for ever of all the races. The famous names of South African history will become the joint property of them all—names familiar to many of us in a different relation from that which those who

bore them ever expected. We may think of the chivalrous figure of Sir Harry Smith, whose name is still extant, and of his wife, so romantically won, whose name survives still more familiarly in association with recent events to which both races may look back with pride. Then there was Sir Benjamin D'Urban, one of the Governors who suffered from not being entirely understood at home. I have mentioned Sir George Grey, and I might mention many more. But we must not forget the names of the distinguished men who filled the office of President in the Dutch Republics, and here I will say that we are particularly glad to welcome here among the delegates from South Africa Mr. Steyn, whose whole-hearted advocacy of union has been of the greatest assistance to the cause. Nor can we forget the now common property of the whole Union in the name of Cecil Rhodes, who amid all the agitations of political life always dreamed of the union of South Africa. These men lived their lives, they enjoyed their triumphs, they suffered their failures, and we now in the fulness of time are able to see that where they succeeded, and even where they failed, they often unconsciously were working towards the consummation of this great act of union. Therefore, without distinction of race, party, or creed, we can now say that we honour them all.

I will now say one word from the Imperial standpoint. It is not necessary for us to roll up the map of the British Empire as Mr. Pitt desired to roll up the map of Europe, but it is tolerably safe to say that, so far as we can venture to see ahead, this Act of Union places the self-governing

Dominions of the King in something like their final form. There is the great American group, the great Pacific group, and the great African group. There may be some rearrangement and some modification, but it is, I think, reasonable to say that for many years to come, longer than the life of any of us here, these three great divisions will form the three main self-governing parts of the British Empire outside these islands. This fact will enable the advisers of the Crown here and in the Colonies and Dominions abroad to deal with questions of Imperial defence with more certainty and with greater freedom than they have been able to deal with them hitherto. That is one point of gain. I will go further. it should ever be the fact, as I hope it may, that it is found possible to solve the very difficult problem of co-operation all over the Empire in the policy of the Empire, to that achievement this Act of African Union is a necessary preliminary. I believe, therefore, that there will be no part of the Empire which will not give a most hearty welcome to the new South Africa, with earnest prayers that she may both merit and enjoy the rewards of prosperity and the blessings of peace. My Lords, in moving the Second Reading of this Bill I commend it to your good offices, and I trust that it may pass in this House, and also in another place, without amendment,

VII

THE AUTONOMY IN INTERNAL AFFAIRS OF THE SELF-GOVERN-ING DOMINIONS

1. THE CANADIAN POLICY OF PROTECTION

(1) The Duke of Newcastle to the Right Honourable Sir Edmund Head, Bart.

DOWNING STREET,
August 13, 1859.

SIR,

I have the honour to transmit to you the copy of a Memorial which has been addressed to me by the Chamber of Commerce and Manufactures at Sheffield, representing the injury anticipated to their commerce by the increased duties which have been imposed on imports by the late Canada tariff.

I request that you will place this representation in the hands of your Executive Council, and observe to that body that I cannot but feel that there is much force in the argument of the Sheffield manufacturers. Practically, this heavy duty operates differentially in favour of the United States, in consequence of the facility for smuggling which so long a line of frontier affords, and the temptation to embark in it which a duty of 20 per cent offers. Regarded as a fiscal expedient, the measure is impolitic; for whilst any increase

of contraband trade must be at the expense of the Exchequer, the diminution of foreign importations will probably more than neutralise the additional

revenue derived from the higher duty.

Whenever the authenticated Act of the Canadian Parliament on this subject arrives, I may probably feel that I can take no other course than signify to you the Queen's assent to it, notwithstanding the objections raised against the law in this country; but I consider it my duty no less to the Colony than to the Mother Country, to express my regret that the experience of England, which has fully proved the injurious effect of the protective system, and the advantage of low duties upon manufactures, both as regards trade and revenue, should be lost sight of, and that such an Act as the present should have been passed. I much fear the effect of the law will be that the greater part of the new duty will be paid to the Canadian producer by the colonial consumer, whose interests, as it seems to me, have not been sufficiently considered on this occasion.

I have, &c.
Newcastle.

ENCLOSURE

CHAMBER OF COMMERCE AND MANUFACTURES, SHEFFIELD.

August 1, 1859.

MV LORD DUKE,

I have the honour to enclose a Memorial from this Chamber of Commerce respecting the greatly

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augmented duties levied upon manufactured imports into the Canadian Colonies.

This Memorial is presented in accordance with a wish expressed by your Grace at an interview granted to a deputation from this Chamber on Wednesday the 20th of July last.

It sets forth the main points in which these greatly increased duties are burdensome to home commerce; and this Chamber begs that the subject may receive your Grace's attention.

I have, &c. CHARLES E. SMITH, Honorary Secretary.

His GRACE the DUKE of NEWCASTLE, K.G.

To His Grace the Duke of Newcastle, Secretary of State for the Colonies

CHAMBER OF COMMERCE AND MANUFACTURES, SHEFFIELD.

August 1, 1859.

MY LORD DUKE,

In accordance with a promise made by us on the 20th ultimo, when we had the honour of waiting upon your Grace on behalf of the merchants and manufacturers of Sheffleld, to represent the injury anticipated to the trade of this town from the recent advance of the import duties of Canada, we now beg respectfully to re-state the reasons why such injury is apprehended. These reasons may be said to be twofold; first, those arising from a conviction that it is the deliberate policy of the Government of Canada to foster native manufactures by fiscal protection and every other means in their power, and, second, those arising from a consideration of the fact that there exists close to the Canadian frontier a body of competing United States manufacturers, to whom such contiguity more than counterbalances the fact that they have to pay the same duties as ourselves.

For proof that we are not mistaken about what the policy of the Canadian Government is, we would refer your Grace to the tone of the whole press of Canada, to the speeches of members of the Canadian Parliament, on both sides of the House, and especially to the steady increase of duties levied on Sheffield goods under every successive tariff. It will be sufficient to say on the last point, that within 18 years or less, the duty levied on Sheffield goods has been steadily advanced from 21% to 20%. We would remind your Grace, in the second place, that, while there is a protection in favour of Canadian manufactures against Shessield of from 35% to 40%, consisting of land carriage, freight, insurance, commission, shipping expenses, duty, &c.,-owing to the close contiguity of, and cheap transit from the competing seats of American industry, similar goods can be sent across the Canadian frontier by United States manufactures at a cost of from 22½ to 25%. It is, therefore, plain that the United States manufacturer has actually an advantage over the Sheffield manufacturer of from 12½ to 15%. As this is a natural protection, however, and consequently one which remains

about the same, be the Canadian duty what it may, we only name it to show your Grace how great the obstacles are naturally against which Sheffield labour has to struggle, and for the purpose of remarking as another objection to any increase of duty, that it is actually the interest of American manufacturers that the Canadian duties should be raised, since any hindrance or confusion caused to Sheffield manufacturers can only tend to divert the demand towards markets easier of access, and with which intercourse is more quickly exchanged than with Sheffield. It is important, too, to remember that the American manufacturer has more than 1,000 miles of unguarded frontier across which he can smuggle with impunity. The merchants and manufacturers of Sheffield have no wish to obtain special exception for themselves, and do not complain that they are called upon to pay the same duty as the American or the German, neither do they claim to have their goods admitted free of duty; all they ask is, that the policy of protection to native manufactures in Canada should be distinctly discountenanced by her Majesty's Government, as a system condemned by reason and experience, directly contrary to the policy solemnly adopted by the Mother Country, and calculated to breed disunion and distrust between Great Britain and her Colonies. It cannot be regarded as less than indecent, and a reproach, that, while for fifteen years the Government, the greatest statesmen, and the press of this country have been not only advocating, but practising the principles of free trade, the Government of one of her most

important Colonies should have been advocating monopoly and protection. Under the artificial stimulus of this system, extensive and numerous hardware manufactories have sprung up both in Canada East and West, and the adoption of increasing duties has been the signal for more to be commenced. We are aware that the fiscal necessities of the Canadian Government are urged as the chief cause for passing the late Tariff Bill. This is not the whole truth; no one can read the papers of the provinces and the speeches of the Members of both Houses, and be deceived for an instant: but even if that were the cause, we conceive that her Majesty's Government has a right to demand that what revenue is needed shall be raised in some other way than that which is opposed to the acknowledged commercial policy of the Imperial Government, and destructive of the interests of those manufacturing towns in Great Britain which trade with Canada. As some evidence that this new tariff is objectionable on colonial grounds, we would draw your Grace's attention to the following extract:

The New Canadian Tariff.—Mr. Galt's tariff is bearing with dreadful severity on our trade. The imports at Toronto for the first six months of 1859 were 1,939,928 dollars, while those of the corresponding period last year were 1,534,131 dollars, showing an increase of only 27 per cent. The duties collected in the same period, in 1858, were 168,161 dollars, and in 1859, 286,100 dollars, which shows an augmentation on the burdens of the people of very nearly 70 per cent. The experts, during the six months of 1859, were only 147,444 dollars; 37,069 dollars less than in 1858, and 138,656 dollars less than we paid in

duties alone. With decreased means of payment we have imported more and paid more to the Government than last year. How can a country prosper under such burdens as the present Government have imposed ?- Toronto (W.C.), Globe of July 8.

> We remain, &c. CHARLES ATKINSON. Mayor of the Borough of Sheffield. ROBERT JACKSON. Master Cutler. For John Jobson Smith. President of the Chamber of Commerce. CHARLES E. SMITH, Honorary Secretary.

(2) Right Honourable Sir Edmund Head, Bart., to the Duke of Newcastle

> GOVERNMENT HOUSE, QUEBEC, 11 November, 1859.

My Lord Duke.

I did not fail immediately to call the attention of my Council to your Despatch of 13th August, No. 23. The subject was by them referred to the Finance Minister, Mr. Galt, who has reported thereon.

According to the recommendation of the Council, I now forward for your Grace's consideration a copy of this Report.

I have, &c.,

EDMUND HEAD.

Copy of a Report of a Committee of the Executive Council approved by his Excellency the Governor-General, on the 12th of November, 1859

On the Report of the Honourable the Minister of Finance, dated 25th October ultimo, submitting certain remarks and statements upon the Despatch of his Grace the Duke of Newcastle, dated 13th August, and upon the Memorial of the Chamber of Commerce of Sheffield, dated 1st August, transmitted therewith,—

The Committee concur in the views expressed by the Minister of Finance, and recommend that a copy of his Report be forwarded by your Excellency to her Majesty's Secretary of State for the

Colonies.

Certified, WILLIAM H. LEE, C.E.C.

REPORT

The Minister of Finance has the honour respectfully to submit certain remarks and statements upon the Despatch of his Grace the Duke of Newcastle, dated 13 August, and upon the Memorial of the Chamber of Commerce of Sheffield, dated 1 August, transmitted therewith.

It is to be deeply regretted that his Grace should have given to so great a degree the weight of his sanction to the statements in the Memorial, without having previously afforded to the Govern-

ment of Canada the opportunity of explaining the fiscal policy of the province and the grounds upon which it rests. The representations upon which his Grace appears to have formed his opinions are those of a provincial town in England, professedly actuated by selfish motives; and it may fairly be claimed for Canada, that the deliberate acts of its Legislature representing nearly three millions of people, should not have been condemned by the Imperial Government on such authority, until the fullest opportunity of explanation had been afforded. It is believed that nothing in the Legislation of Canada warrants the expressions of disapproval which are contained in the Despatch of his Grace, but that on the contrary due regard has been had to the welfare and prosperity of her Majesty's Canadian subjects.

From expressions used by his Grace in reference to the sanction of the Provincial Customs Act, it would appear that he had even entertained the suggestion of its disallowance; and though happily her Majesty has not been so advised, yet the question having been thus raised, and the consequences of such a step, if ever adopted, being of the most serious character, it becomes the duty of the Provincial Government distinctly to state what they consider to be the position and rights of the Canadian Legislature.

Respect to the Imperial Government must always dictate the desire to satisfy them that the policy of this country is neither hastily nor unwisely formed; and that due regard is had to the interests of the Mother Country as well as of the Province. But the Government of Canada

acting for its Legislature and people cannot, through those feelings of deference which they owe to the Imperial authorities, in any manner waive or diminish the right of the people of Canada to decide for themselves both as to the mode and extent to which taxation shall be imposed. Provincial Ministry are at all times ready to afford explanations in regard to the acts of the Legislature to which they are party; but, subject to their duty and allegiance to her Majestv, their responsibility in all general questions of policy must be to the Provincial Parliament, by whose confidence they administer the affairs of the country; and in the imposition of taxation it is so plainly necessary that the Administration and the people should be in accord, that the former cannot admit responsibility or require approval beyond that of the local Legislature. Selfgovernment would be utterly annihilated if the views of the Imperial Government were to be preferred to those of the people of Canada. It is, therefore, the duty of the present Government distinctly to affirm the right of the Canadian Legislature to adjust the taxation of the people in the way they deem best, even if it should unfortunately happen to meet the disapproval of the Imperial Ministry. Her Majesty cannot be advised to disallow such acts, unless her advisers are prepared to assume the administration of the affairs of the Colony irrespective of the views of its inhabitants.

The Imperial Government are not responsible for the debts and engagements of Canada. They do not maintain its judicial, educational, or civil service; they contribute nothing to the internal government of the country, and the Provincial Legislature acting through a ministry directly responsible to it, has to make provision for all these wants: they must necessarily claim and exercise the widest latitude as to the nature and extent of the burthens to be placed upon the industry of the people. The Provincial Government believes that his Grace must share their own convictions on this important subject; but, as serious evil would have resulted had his Grace taken a different course, it is wiser to prevent future complication by distinctly stating the position that must be maintained by every Canadian Administration.

These remarks are offered on the general principle of colonial taxation. It is, however, confidently believed, that had his Grace been fully aware of the facts connected with the recent Canada Customs Act, his Despatch would not have been written in its present terms of disapproval.

The Canadian Government are not disposed to assume the obligation of defending their policy against such assailants as the Sheffield Chamber of Commerce; but as his Grace appears to have accepted these statements as correct, it may be well to show how little the memorialists really understood of the subject they have ventured to pronounce upon so emphatically.

The object of the Memorial, is 'to represent the injury anticipated to the trade of this town (Sheffield), from the recent advance of the import duties of Canada.' To this it is sufficient reply

to state that no advance whatever was made on Sheffield goods by the Customs Act in question; the duty was 20 per cent. on these articles enumerated in the former tariff, and the only difference is, that they are now classed as un-enumerated, paying the same duty. But on the other hand, by the present tariff, the raw material, iron, steel, &c., used in the manufacture of such goods, has been raised from 5 per cent. to 10 per cent.; consequently under the Act of which the Memorialists complain, their position in competing with the Canadian manufacturer is actually better than under the previous tariff. The establishment of this fact entirely destroys the force of the whole argument in the Memorial, as regards the trade they especially represent.

The Chamber of Commerce, in their anxiety to serve the interests of their own trade, have taken up two positions from which to assail the Canadian tariff, which are, it is conceived, somewhat contradictory. They state that it is intended to foster native manufactures, and also that it will benefit United States, manufacturers. It might be sufficient to say that the tariff cannot possibly effect both these objects, as they are plainly antagonistic; but it may be well to put the Chamber of Commerce right on some points connected with the competition they encounter from the American manufacturers. There are certain descriptions of hardware and cutlery which are manufactured in a superior manner by the American and Canadian manufacturers, and these will not, under any circumstances, be imported from Sheffield. In these goods there is really no competition: their relative merits are perfectly well known, and the question of duty or price does not decide where they shall be bought. In regard to other goods in which Sheffield has to compete with the United States, it can be easily shown that no advantage can by possibility be enjoyed by the foreigner in the Canadian market, because Sheffield is able now to export very largely of these very goods to the American market, paying a duty of 24 per cent., and competing with the American maker. Certainly, then, in the Canadian market Sheffield, paying only 20 per cent. duty, can have nothing to fear from American competition, which is subject also to the same duty. and even if admitted absolutely free, would yet be somewhat less able to compete than in the United States. The fact is, that certain goods are bought in the Sheffield market, and certain in the American. We have in Canada tradesmen who make goods similar to the American, but not to the Sheffield; and if our duty operates as an encouragement to manufacturers, it is rather against the American than the English manufacturer, as any one acquainted with this country well knows.

The Chamber of Commerce is evidently quite ignorant of the principle upon which the valuation of goods for duty is made by Canada, which is on the value in the market where bought. The Sheffield goods are therefore admitted for duty at their price in Sheffield, while the American goods are taken at their value in the United States. This mode of valuation is clearly in favour of the British manufacturer, and is adopted with the

deliberate intention of encouraging the direct trade, as will be shown hereafter.

The calculations offered by the Chamber of Commerce as to the cost of delivering. Sheffield and American goods in Canada are wholly erroneous; they state the cost as 35 per cent. to 40 per cent., against 22½ per cent. to 25 per cent.; but their whole case rests upon the assumption that the original cost of both is the same, which is manifestly absurd, both as shown, indirectly, by Sheffield being a large exporter to the States, and, directly, from the fact that, in the case of the American maker, his raw material has to pay a duty of 24 per cent., while he requires higher interest both for his fixed and working capital, and has to pay larger wages for skilled labour.

The Chamber of Commerce attaches much weight to their allegation, that Canada has 'more than 1,000 miles of unguarded frontier; this is, like most of those in the Memorial, a mere reckless assertion, made in ignorance of facts. The frontier of Canada is not crossed by a road of any description but one (the Kennebec) east of the 45° parallel of latitude; it extends about 120 miles along the parallel to the River St. Lawrence: thence up the river about 100 miles to Lake Ontario, above which it is separated from the United States by the Great Lakes, averaging 60 miles in width, to the extreme west of Lake Superior; with the two exceptions of the Niagara river, 30 miles, for a considerable extent impassable, and by the Detroit and St. Clair rivers. 70 miles. The lakes are not navigated in winter,

and in summer offer great obstacles to smuggling, from causes which it would take too much space to recite; consequently, the frontier which offers any avenues for smuggling is limited in reality to about 320 miles in all; and so far from being unguarded, a most efficient and zealous staff of officers is employed upon it, occupying every available route. Railways have also to a great extent removed the temptation and ability to smuggle; the goods are all brought from the United States to the frontier by rail, and it is cheaper to pay the duty demanded on goods generally (say, 20 per cent.) than to incur the additional expense of seeking another mode of conveyance, combined with the risk of a contraband trade. Smuggling, to a certain extent, no doubt takes place, but it is generally for the mere supply of frontier villages and settlements. and in most cases of seizure we find that the goods are of the most portable description; whisky and manufactured tobacco are the only bulky articles ever snuggled, and on these articles the duties are 70 per cent. and 40 per cent. They would not be smuggled were public opinion satisfied with the imposition of a lower duty, say 20 per cent.

The Chamber of Commerce has chosen to allege, as its authority for assailing the present Canadian Customs duties, the newspaper statements to which they have had access, and the memorialists have permitted themselves, on such authority, to unbecoming language towards the Government of Canada. It would have been more proper had they quoted the statements of the policy of the Government made by its Finance Minister, rather than those of the public press, and on this point there is now submitted an extract from the remarks made by Mr. Galt on the introduction of the new tariff, which were fully reported in all the leading newspapers:

There is no more important question that can engage the attention of any country than its commercial policy. There are some who would do away with customs' duties altogether, and have resort to direct taxation. Others, again, are in favour of a tariff which shall afford protection to native industry, and avoid the necessity of importing goods from abroad. I think it is impossible for Canada to adopt altogether either of those measures as a final policy. I think we must have reference to what are the great interests of the country in reference to taxation. The first of them undoubtedly is agriculture. There is also a large portion of the people engaged in the manufacture of timber, and the commercial interest is by no means small. There is also a manufacturing interest growing up, but it has not yet attained the magnitude of the others of which I have spoken. I do not believe that the adoption of a protective policy is possible in Canada, on account of the extensive frontier that she has to protect. It is plain that if we raise the duties beyond a certain point we offer a reward to unscrupulous persons to engage in contraband trade; and again. if by raising the duty on those articles too high we prevent their introduction, we must necessarily have recourse to direct taxation. I do not think it possible or desirable that taxation should be raised to the rate adverted to. The duties imposed are moderate, and, since they had been raised from 121 per cent. to 15, various manufactories have been created, have thriven. and are still thriving, and I am not aware that during the recent extraordinary monetary crisis they have suffered to any extent. It is right, in raising a revenue. to have respect to the possibility of finding employment for a portion of the population, but, on the other hand, it is not proper to create a hot-bed to force

manufactures. The revenue we have to raise permitted the putting on of duties which would give some encouragement to parties to embark in manufactures. When a person did so under a system of moderate duties, he had reasonable ground of assurance that the system would not be altered to his disadvantage: but if the duties were high the system would be regarded as one of class legislation, and as not likely to be permanent. The true object to be accomplished was to make provision for the public wants, and so to distribute the burdens as to make them press as equally as possible upon all, or to afford equal encouragement to all interests.

The nature and value of the information obtained by the Chamber of Commerce may be judged by their appending to their Memorial an extract from a paper bitterly opposed to the Government, which, taking up the result of six months of trade of Toronto, a port of only thirdrate magnitude, pretends to give the result of a tariff which had only been in operation for three months out of the six months, from which the statement was made. It will be hereafter shown what the real operation of the new tariff has thus far been, and it will then clearly appear that the apprehensions of his Grace as to the failure of the measure financially have not been realized.

The Minister of Finance would not have considered it necessary to give any refutation to the statements of the memorial from Sheffield, had it not been virtually adopted by his Grace the Duke of Newcastle. He would have preferred at once entering upon an explanation of the financial position, requirements, and policy of Canada, which he now respectfully submits, and which will, he believes, abundantly prove that, under the most serious difficulties, the policy of Canada, so far from being opposed in principle to that of the Mother Country, has been in accord with it, as far as differing circumstances would permit.

A statement is herewith appended, showing the total imports, duty, and free goods imported into Canada since the union.

The policy of the Mother Country was protective and discriminative until 1846, and that of Canada was made as far as practicable in harmony. Differential duties in favour of the direct trade with Great Britain existed till 1848, when they were repealed. And in 1854, the principles of free trade were still more fully adopted by Canada in the legislation connected with the Reciprocity Treaty. The repeal of the Navigation Laws took place in 1849 The policy of Canada has thus at three periods, of 1841 to 1848, 1849 to 1854, and 1855 to this date, followed that of Great Britain. Our markets have been thrown open on equal terms to all the world. Our inland waters are navigated by foreign vessels on the same terms as by Canadian; the necessaries of life entering into the ordinary consumption of the people have all been made free. Our vast timber and ship-building interests have been thus developed and our fisheries encouraged, and, as a general principle, all raw materials have also been admitted free: the only exception in the latter case being precisely that which most conclusively shows that the fiscal policy of Canada has been based upon revenue as the primary object, as, for the manufacture of the description of goods

which has provoked the criticism of the Sheffield Chamber of Commerce, iron and steel are the raw material, and on these very articles the duty has been steadily raised to 10 per cent., which is quite in proportion to the increased duty imposed upon the manufactured article.

The analysis of the statement herewith gives some curious and instructive results. For the eight years from 1841 to 1848, during which the protective policy existed, the total imports of Canada were £27,543,319 Os. 6d., Halifax currency, the total duty collected £2,808,507 11s. 10d. and the total free goods £619.886 ls. 8d.; the averages being £3,442,915, £351,063, and £77,486; the duty being thus about 101 per cent.; and the free goods only 21 per cent. of the whole imports.

For the next period of six years to the passing of the Reciprocity Acts, and general adoption of more liberal views, 1849 to 1854, the total imports, duty, and free goods were respectively £35.806.420 6s. 1d., £4,709,372 11s, 11d., £2,448,381 13s. 2d., averaging £5,967,736, £798,395, and £408,063 per annum, the duty being thus about 134 per cent., and the free goods nearly 7 per cent. of the total imports.

For the last period of four years from 1855 to 1858, which is that which has more particularly excited the apprehensions of his Grace, and the criticism of the Sheffield Chamber of Commerce. the following results are shown: imports. £37,044,920 10s. 2d.; duty, £3,835,276 6s. 5d.; free goods, £10,789,705; the annual averages having been £9,261,230, £958,819, and £2,697,426;

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the duty being 10½ per cent, and the free goods 29 per cent, of the imports.

The following comparative result appears:

These comparative statements abundantly prove that the policy of Canada in its Customs duties has neither been repressive of trade nor onerous upon the people. It is, however, necessary to draw attention to the fact that from causes which will be hereafter stated the results for 1858 would somewhat differ from the above average, the late Minister of Finance, Mr. Cayley, having found it necessary to make a considerable addition to the Customs duties by an Act which took effect on the 7th August 1858, which gave the following results for that particular year, and which must be borne in mind when it is necessary to explain the nature of the Customs Act of March 1859.

1858, imports to 7th August
Duty, £439,643 14s. 6d.
Duty, 11 per cent.
1858, from 7th August to
31st December, under
tariff of 1858, imports
Duty, £405,703 13s. 1d.
Duty, 12½ per cent.

. . Free goods
Free goods

£3,970,703 Free goods, £1,161,728 5s. Free goods, 29 per cent.

£3,298,928 15s. Free goods, £931,675 5s. Free goods, 281 per cent.

The fiscal policy of Canada has invariably been governed by consideration of the amount of revenue required. It is no doubt true that a large and influential party exists, who advocate a protective policy, but this policy has not been adopted by either the Government or Legislature. although the necessity of increased taxation for the purposes of revenue has to a certain extent compelled action in partial unison with their views, and has caused more attention to be given to the proper adjustment of the duties, so as neither unduly to stimulate nor depress the few branches of manufacture which exist in Canada. The policy of the present Government in readjusting the tariff has been, in the first place, to obtain sufficient revenue for the public wants: and, secondly, to do so in such a manner as would most fairly distribute the additional burthens upon the different classes of the community, and it will undoubtedly be a subject of gratification to the Government if they find that the duties absolutely required to meet their engagements should incidentally benefit and encourage the production in the country of many of those articles which we now import. The Government have no expectation that the moderate duties imposed by Canada can produce any considerable development of manufacturing industry; the utmost that is likely to arise is the establishment of works requiring comparatively unskilled labour, or of those competing with American makers for the production of goods, which can be equally well made in Canada, and which a duty of 20 per cent, will no doubt stimulate. That these results

should flow from the necessity of increased taxation is no subject of regret to the Canadian Government, nor can it be alleged as any departure on their part from the recognized sound principles of trade, as it will shortly be shown that the Government were compelled to obtain increased revenue, and it is believed that no other course could be relied on for this result than that adopted.

The increase of taxation is never a popular step, and his Grace might have well believed that no Government would adopt it, without the strongest conviction that good faith demanded it. It is unpleasant enough to be exposed to attack in Canada for an unavoidable increase of duties; but it is certainly ungenerous to be reproached by England, when the obligations which have caused the bulk of the indebtedness of Canada have been either incurred in compliance with the former policy of Great Britain, or more recently assumed to protect from loss those parties in England who had invested their means in our railways and municipal bonds.

The indirect public debt of Canada in 1858 was £7,630,643 16s. 7d., bearing 6 per cent. interest, which, prior to 1857, had not been a charge upon the revenue. In that year, owing to the commercial crisis, it became necessary to make large payments upon it; and in 1858, almost the whole amount had to be met from the general revenue. In addition to the commercial depression, the harvest of 1857 was below an average, and that of 1858 was nearly a total failure. It became manifest that the indirect debt must for many years be a charge upon the country; and

Parliament was required to make provision for it. The interest on the public debt, direct and indirect, thus required in 1858 £774,612 13s, 4d., and without flagrant breach of faith, it could neither be postponed nor repudiated. The pressure had come suddenly and heavily upon the people of Canada; but neither the Government nor the Legislature hesitated in making such provision as in their judgement would meet the exigencies. The Customs Act of 1858 was therefore passed, and subsequently, with the same objects in view and others which will be hereafter explained, the Customs Act of 1859 was also passed.

His Grace the Duke of Newcastle has not, it is feared, given his consideration to the official documents showing the income and expenditure of Canada for 1858, or he would have seen the absolute necessity under which the Government was acting, in proposing their financial measures for last year. His attention is now respectfully requested to the official Report of the Finance Minister attached to the public accounts of 1858, wherein he will perceive the exact position in which the affairs of the province stood, and that a deficiency of no less than 2,500,000 dollars had occurred in that year.

After subjecting the engagements of the province to the strictest possible scrutiny, the Government were of opinion that it was possible to reduce the annual outlay on many items of expenditure, and the accompanying estimate submitted to Parliament will satisfy his Grace that the best efforts of the Government have been directed towards economy, the ordinary expenditure in

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1858 having been 8.943.013 dollars, and the estimate for corresponding service in 1859 being 7.497,000 dollars. But, after making every possible reduction, it was manifest that, unless an increase of revenue could be obtained, a serious deficiency must occur in 1859. The opinion of the Government was that, having ascertained the probable amount required for the service of the year, it was their duty to recommend such measures to Parliament as would supply the deficiency; and that although during the crisis it might have been justifiable to borrow money for this purpose, it was no longer so. A revival of trade was confidently looked to, but owing to the bad harvest of 1858, it could not be rapid; and it was deemed proper to recommend certain additions to the Customs duties, to provide for a possible diminution in our ordinary importation.

The Customs Act introduced by the present Minister of Finance is evidently believed by his Grace, and by others in England who draw their information apparently from the political press opposed to the Government, to have imposed very large additional taxation on imported goods. whereas, in reality, such was neither the intention nor the fact. The new tariff was designed certainly with the intention of obtaining an increased revenue of about 500,000 dollars on the estimated importations of 1859, but the real increase was looked for from a revival of trade; object of the new tariff was to readjust the duties so as to make them press more equally upon the community by extending the ad valorem principle to all importation, and thereby also encouraging

and developing the direct trade between Canada and all foreign countries by sea, and so far benefiting the shipping interests of Great Britain, an object which is partly attained through the duties being taken upon the value in the market where last bought. The levy of specific duties for several years had completely diverted the trade of Canada in teas, sugars, &c. to the American markets, and had destroyed a very valuable trade which formerly existed from the St. Lawrence to the Lower Provinces and West Indies. believed that the completion of our canal and railroad systems, together with the improvements in the navigation of the Lower St. Lawrence, justified the belief that the supply of Canadian wants might be once more made by sea, and the benefits. of this commerce obtained for our own merchants and forwarders. Under this conviction it was determined by the Government to apply the principle of ad valorem duties (which already extended to all manufactured goods) to the remaining articles in our tariff.

A step of this nature, having for its effect to give a slight advantage to the direct trade, via the St. Lawrence, with Great Britain and the rest of the world, and whose tendency was somewhat to interfere with the existing close commercial relations between Western Canada and the United States, excited the bitter hostility of all the interests prejudicially affected, and both in Parliament and in the press the most absurd and false statements were made on the subject. The opposition in Parliament, strangely enough, adopted as their strongest ground of attack upon the tariff, that it receded from the protective principle said to have been adopted by Mr. Cayley in the previous year; and, for the purpose of defeating the Government, those in opposition in the House who admitted the justice and propriety of the proposed changes, actually voted with the pure protectionists. Notwithstanding all the combined efforts of their opponents, the Government adhered to and carried their measure; and it may now be interesting to observe, from the short period during which the tariff has been in force, how far it has produced the results contended for by the Government or their opponents.

The Minister of Finance stated to the House that he did not intend materially to alter the rate of duty paid on the bulk of the imports, but only to change the principle upon which they should be levied. The articles on which he proposed to obtain additional revenue were, cotton goods to be raised from 15 per cent. to 20 per cent., and iron, steel, &c., from 5 per cent. to 10 per cent. This was the whole extent of increased taxation, and it was expected to yield 500,000 dollars additional. The changes in teas, sugars, &c., were all merely nominal, and, as already explained, were proposed as being upon a more correct principle. The imports for the first three quarters of 1859, say to 30th September, have been, imports, £6,574,128 5s., duty, £888,916 15s. 4d., free goods, £1,915,603, the duty being 131 on the imports, and the free goods being 29 per cent. of the whole.

The attention of his Grace is respectfully requested to this statement as showing, first, that

the increased rate of duty as compared with the tariff of 1858, as given in a previous part of this memorandum, has only been from $12\frac{1}{2}$ to $13\frac{1}{2}$ per cent., which can scarcely be deemed excessive; while, so far from the apprehensions of his Grace being verified through a diminution of imports and consequent loss of revenue, in both cases the estimates of the Government are borne out as nearly as could be expected, considering the state of the country, and its gradual recovery from depression. Until the close of the year the comparison cannot fairly be made, inasmuch as we are only now beginning to benefit from our late good harvest; but, as an indication of the result, it may be stated that, in the case of cotton goods. which were raised from 15 to 20 per cent., the importation for the first nine months of 1857, 1858, and 1859, were as follows:

				Dollars.
1857				4,379,672
1858				2,862,734
1859		•5		4,323,750

The Minister of Finance can also point with satisfaction to the fact that the proportion which free goods bear to the whole importation is exactly that of 1858, and of the average for the four previous years, viz., 29 per cent of the im-This may be assumed to indicate that the new tariff has not produced any disturbance of trade, nor checked importations, for it is remarkable that where so large an increase has taken place in the imports as from £5,500,542 in the first nine months of 1858, to £6,574,128 5s. in

the corresponding period of 1859, the proportion of free goods to the whole remains the same.

The Minister of Finance relies upon these statements to convince his Grace that he has scarcely done justice to the Government of Canada in his Despatch of 13th August, and that, in many important respects, the Chamber of Commerce has been entirely misinformed. He will now proceed to indicate the causes which have induced the Government and Legislature of Canada to seek in an increase of their Customs duties the means of meeting the large and unexpected demands upon them. But, before finally leaving the subject of the burdens upon the people of Canada, it is proper to remark that the rate of duty levied under the present tariff of 1859, covering the cost of all our canal and railway expenditure, is only 13½ per cent., while in the period from 1841 to 1848, when the province had neither canals nor railways, it was 101 per cent., and from 1849 to 1854, when it had only canals, but not railways, it was 13½ per cent. If it were necessary to offer an argument on the subject, it might be very easily shown that any increase of duty which has been placed on English goods is quite indemnified by the decreased cost at which our canals, railways, and steamships enable them now to be delivered throughout the province, and that, if the question were one of competition with Canadian manufacturers, the English exporter is quite as well off as before, while, as compared with the American, his eposition is greatly improved.

In proceeding to offer some observations upon the principle upon which taxation is imposed in Canada, the Minister of Finance may remark that the views of the Chamber of Commerce on the question of free trade seem to be based upon the assumption that it is both the principle and practice of Great Britain, and should be adopted by Canada irrespective of its financial necessities.

It certainly appears singular that Canada should be reproached with a departure from sound principles of finance when, in order to pay her just debts, she imposes higher duties on the articles she herself consumes and pays for, when in England itself the same means are resorted to, and no less than £28,000,000 sterling obtained from Customs duties, and £17,000,000 from Excise. If in Great Britain, where such an enormous amount of realized wealth exists, it has only as yet been found possible to raise one-sixth of the revenue by direct taxation, it need require no excuse if Canada has to raise her revenue almost wholly by indirect means.

Free trade in the abstract must be taken to mean the free exchange of the products of industry of all countries, or of the inhabitants of the same country, and it is perfectly immaterial whether that industry be applied to the production of a pound of sugar or tobacco, or of a tenpenny nail or a bushel of malt; it is equally an interference with the principle to levy Customs duties or Excise on any. But it is, and probably will continue to be, impossible to abandon Customs duties or Excise as a means of revenue; they afford the means of levying large sums by the taxation of articles of consumption, distributing the burden in almost inappreciable quantities,

and in one respect have this advantage, that if fairly imposed, each individual in the community contributes in a tolerably fair proportion to his means. In Great Britain it may be possible to adjust the taxation, so as to make realized property contribute more than it now does to the wants of the State, but in a country like Canada, no such resource exists, and it would be perfectly hopeless to attempt to raise the required revenue by direct taxation; we neither possess the required machinery to do it, nor are the people satisfied that it is the more correct principle. Customs duties must, therefore, for a long time to come, continue to be the principal source from which our revenue is derived.

Admitting, therefore, the necessity of raising a certain amount for the wants of the State, and that such amount can only be obtained through Customs duties, the Government of Canada, like that of Great Britain, have to consider how that necessary interference with the true principle of political economy can be effected with least disturbance to trade, and judging of the fiscal policy of the present Government by this rule, it is contended that, with some trifling exceptions which must arise in all human legislation, the Customs duties are imposed in the manner least calculated to disturb the free exchange of Canadian labour with that of other countries. A large class of articles, termed raw materials, are admitted free, amounting to 29 per cent. of the total imports. Another large class, consisting of iron, steel, metals, and articles entering into the construction of railways, houses, ships, and agricultural

implements, &c., are admitted at 10 per cent. duty. leather and partially manufactured goods pay 15 per cent., manufactured goods made from raw materials or articles paying 10 per cent. duty are admitted at 20 per cent., manufactured goods made from articles paying 15 per cent. duty are charged 25 per cent., but this is exceptional, and very limited, while luxuries, comprising wines, tobacco, cigars, and spices, &c., are charged at rates varying from 30 to 40 per cent., but the bulk are of 30 per cent.; spirits are charged 100 per cent., tea, sugar, and molasses pay 15 per cent. and 30 per cent.

The distribution of duties on the whole imports therefore stands thus:

,	Duties.	Imports.
Free goods	$ \begin{array}{c} $	29 per cent. 6½ ,, 6½ ,, 41 ,,
cluding spirits . Tea, sugar, and molasses	9 ³ / ₄ 6 ¹ / ₄	100 ,,

The foregoing statement will show that, if the attempt were made to reduce the duty on manufactured goods paying 20 per cent., it would necessitate an advance on the other items, unless

such reduction produced a corresponding increase in consumption to make good the deficiency. Assuming, then, that the duty were reduced from 20 to 10 per cent., it will not be contended that this reduction, though affecting the revenue onehalf on these articles, would induce double the consumption: on the contrary, it is believed that it would not affect the consumption at all, as is borne out by the statistics of previous years, and of the present year. It would then become necessary to meet the deficiency by increased duties elsewhere; and in selecting the articles it is, in the first place, impossible to touch the bulk of the free goods, most of which are free under the Reciprocity Treaty, and the remainder entitled to continue free, according to sound principles of trade. Passing to the next class of 10 per cent. goods, it will not, surely, be contended that the scale of duty should be raised on quasi-raw materials to a rate in excess of that imposed on manufactures. There is, then, nothing left but the articles paying over 25 per cent.; and it must be observed that they form only 4 per cent. of the imports, and pay 93 per cent. of the duties; if, therefore, it were necessary to make good the deficiency arising from a reduction of duty on manufactures, the proportion of duty to the whole they would have to pay would be increased from 93 per cent. to 40 per cent., and the average rate of duty on these articles, instead of 32 per cent. or thereabout, would be increased to nearly 130 per cent.

It is scarcely necessary to point out that such an increase would be utterly incompatible with

revenue, and the result would be a financial failure.

On tea, sugar, &c., it has been found impossible to maintain higher duties than those now imposed, as they are free in the United States, and unfavourable comparisons are even now instituted by our agricultural population.

Apart from such modifications in detail, as experience may suggest, the Government of Canada believe that, in order to raise the revenue imperatively required to preserve the good faith of the province, and to maintain its institutions, the scale of Customs duties is not excessive, and that it has been adjusted in general accordance with sound principles of political economy. Reductions in the scale of duties can only take place as the increasing population and wealth of Canada swell the importations, and it will be a subject of the highest gratification to the present Government, when such reduction is possible.

> A. T. GALT, Minister of Finance.

QUEBEC, 25 October 1859.

N.B.—The values are all given in Halifax currency, except where the present decimal currency is used.

2. THE JESUITS' ESTATES ACT OF QUEBEC

Lord Stanley of Preston to Lord Knutsford

CANADA, CITADEL, QUEBEC, 8 August, 1889.

My Lord,

I have the honour to state that a short time ago, while absent from the seat of government, I received an application, forwarded through the Secretary of State at Ottawa, asking when I would receive an influential deputation, the members of which were desirous of personally presenting to me petitions for the disallowance of the Jesuits' Estates Act.

At the express wish of the minister, I received the deputation here on the 2nd instant, and I enclose for your Lordship's information a report from the Quebec *Morning Chronicle* which gives a fairly accurate account of what took place.

I do not think it necessary for me to trouble your Lordship with any further observations upon this matter, which, although it continues to be hotly discussed in Ontario, and in a limited portion of the province of Quebec, does not seem to excite much feeling in other parts of the Dominion.

I have thought it best to await the arrival of

your Lordship's despatch, referred to in a recent telegram, before allowing any public intimation of the opinion of the Imperial Law Officers to be made.

The Act by lapse of time passes into law to-day.

I have, &c.,

STANLEY OF PRESTON.

His Excellency's Speech

His Excellency the Governor-General then replied as follows:

'It has not been usual to receive such a deputation as this, but, in view of the importance of the subject, I am willing to create a precedent. At the same time it is one which I do not think should be too often followed. The difficulty experienced by a person in my situation in receiving deputations is that one may lay oneself open to the charge of arguing for or against the measures in which the deputations are interested. But with the sanction of my advisers I am disposed to let the deputation know what has been the aspect of the case, as it presented itself to me. There is no disrespect to those who have so ably stated their views, if I express neither concurrence with nor dissent from them, lest I should drift into what might be construed as argument, however unintentionally.

'Previously to my arrival in the country, or about that date, the legislature of Quebec had passed the Act in question. The history of the Jesuits' Estates is so well known that I need not refer to it in detail. Large amounts of property have lain virtually idle, because, when the provincial Government had endeavoured to sell, protests had been made by the claimants, and, in fact, no one would accept so doubtful a title.

'I cannot agree with the view expressed in the second paragraph of one of the petitions, that the act in question recognizes a right on the part of the Pope to interfere in the civil affairs of Canada.

'There were two sets of claimants, at least, to the Jesuits' estates. It was necessary to arrange to whom compensation should be paid, and to ensure a division which would be accepted by all. It is true that the Pope, as an authority recognized by both sets of claimants, was to be called upon to approve or disapprove the proposed division so far as Roman Catholic claimants were concerned, but this appears to me to relate not to the action of the legislature of the Province, but to the division of the funds after they had been paid over. It is arguable that, as a matter of fact, there is no reference to the Pope's authority at all in the executive portion of the Act. It is undoubtedly the case that the preamble to the Act (an unusually long one, by the way) contains a recital of events which led to the introduction of the bill, and that, in the correspondence so set out, authority has been claimed on behalf of the Holy See, to which, however, the First Minister did not assent. The introduction of the name of the Pope may be unusual, and very likely unpalatable to some, as Protestants, but, as it appears in the course of a recital of facts, which had previously occurred (and which of course

legislation could not obliterate or annul), and there being moreover (as I have before stated) no such reference in the body of the Act, I did not consider that her Majesty's authority was in any degree weakened or assailed, nor that I was compelled, in the exercise of my duty as her representative, to disallow the Act on that account.

Now with regard to the third paragraph of the petition, as to the question of policy—that is not one on which I feel at liberty to pronounce an opinion. I believe, and am confirmed in my belief by the best authorities whom I can consult, that the act was intra vires. There my power of interference is limited. For the Act does not appear to do more than to seek to restore to a certain society, not in kind but in money, a portion of the property of which that society was in years gone by deprived, without compensation; and it professes to give a compensation therefor in money of the province which had become possessed of the property and was profiting by it.

'As to the recognition (spoken of in paragraph four) of the rights of the Jesuits' Society to make further demands, it seems to me that this Act leaves so-called "rights" exactly where they were.

'It is by no means uncommon for the Crown to recognize such a moral claim, and I can speak from my personal experience when Secretary of the Treasury (ten or twelve years ago) and when it constantly happened that in cases of intestacy, escheats, and other forfeitures to the Crown, the moral claim of other persons was admitted, and remissions were made not as a matter of legal

right, for the right of the Crown was undisputed, but as a matter of grace. There are also many parliamentary precedents to the same effect. Such cases, it seems to me, must in each instance be decided upon their own merits.

'As to paragraphs five and six, you will pardon my saving that I am not concerned either to admit or deny your statement. But, as a matter of fact, I do not find any evidence that in this Dominion, and in this nineteenth century, the Society of Jesus have been less law-abiding or less loyal citizens than others. With regard to paragraph six, it appears to me that the legal status of the Society was settled by the Act of 1887 (to which little or no objection was taken). I cannot see anything unconstitutional in that respect, in the payment of the money in question to a society duly incorporated by law.

'The Governor-General, both by the written law, and by the spirit of the constitution, is to be guided by the advice of his responsible ministers. If he disagrees with them on questions of high policy, as being contrary to the interests of her Majesty's empire, or if he believes that they do not represent the feeling of Parliament, it is constitutionally his duty to summon other advisers, if he is satisfied that those so summoned can carry on the Queen's Government and the affairs of the Dominion. As to the first, I cannot say that I disagree with the course which, under the circumstances, ministers have recommended, believing it, from the best authorities to which I have access, to be constitutional. The Parliament of the Dominion, by 188 to 13, has expressed the

same view. And with reference to what has been said to the effect that the vote of Parliament does not represent the opinion of the Dominion, 1 decline entirely to go behind recorded votes. Members of Parliament are elected not as the delegates, but as the representatives of the people. and it is their duty to guide themselves according to that which they believe to be the best interests of the high function which they have to dis-Again, I would ask, do the dissentients represent the majority? I find that the 188 represent 916,717 voters, whereas the 13 members represent 77,297, and moreover the body of the constitutional opposition appears to have voted for the approval of the allowance of the bill. I have been asked, though not by you, to disallow the Act, though otherwise advised by ministers and though contrary to the sense of Parliament. Would it be constitutional for a moment that the Governor-General should do so, if it were a question of commerce or finance, or of reforming the constitution? It is by the constitution we have to be governed, and I cannot conceal for a moment the doubt which I feel that, however careful the Governor-General may be in receiving such a deputation as this, there may be some risk of his being held up as a court of appeal on questions of constitutional government as against the Parliament with which it is his duty to work in concert. Then it has been said: Why not facilitate a reference to the Privy Council? I believe that my advisers have a perfectly good answer, that, having no doubt of the correctness of their view. they have good reason for not doing so. I have

been asked to dissolve the House of Commons in one of the petitions to which I am replying. A dissolution of Parliament, in the first instance, except under the gravest circumstances, and perhaps with great reservation even then, should not be pronounced except upon the advice of responsible ministers. It causes the disturbance of the various businesses of the country. expense, both to the country and to all concerned, is such that it is a remedy which should be exercised only as a last resort: and I must say, though I do so with great deference to those present, that excepting in the provinces of Ontario and Quebec there does not appear to have been any general feeling in this matter, such as would warrant the Governor-General to use this remedy. I recognize the influence of the two provinces, but I cannot leave the rest of the Dominion out of sight, and I may express the personal hope that this Parliament may exercise for some time to come a wise constitutional influence over the affairs of this country.

'I think my answer has been made substantially to the other petitions which have been presented to me. For the reasons which I have given, I am unable to hold out to you any hope that I shall disallow the Act. You cannot suppose the course taken by my advisers and approved by me was taken without due consideration. Nothing has taken place to alter the views then entertained. Nor could the Government recommend the reversal of an allowance already intimated.

'Gentlemen, I cannot conceal from you the personal regret with which I feel myself address-

ing a deputation, and returning such an answer as it has been my duty to do to the petitions which have been presented to me; but I have endeavoured to make my statement colourless. I have endeavoured to avoid argument, and I can only hope that I have done something to dissipate alarm. I will only close by making an earnest appeal—an appeal which by anticipation has already, I am certain, found weight with you, and that is, that in this question we should, as far as possible, act up to that which we find to be for the welfare of the Dominion. During late years we have hoped that the animosities which unfortunately prevailed in former years had disappeared, and that the Dominion, as a united country, was on the path of prosperity and peace. I earnestly call upon all the best friends of the Dominion, as far as possible, while holding their own opinions, to be tolerant of those of others, and, like our great neighbour, to live and let live, that we may in time to come feel that we have the one object of promoting the prosperity and welfare of the Dominion and the maintenance of loyalty and devotion to the sovereign.'

3. THE NOMINATION OF ADDITIONAL MEMBERS TO THE UPPER HOUSE OF NEW ZEALAND

(1) The Earl of Glasgow to Lord Knutsford

WELLINGTON, 8th August, 1892.

MY LORD,

I have the honour to forward herewith a memorandum from my Ministers, dated 5th August, calling your attention to a difference which has occurred, to my deep regret, between myself and them, regarding appointments to the begislative Council. I addressed a Despatch on the 22nd day of June, giving all information on the subject up to date, and I now annex a schedule containing a list of papers bearing on the subject, the papers themselves accompanying this Despatch.

I submit that the memorandum contains something more than a statement of the difference between us; it is also an expression of opinion that greater power should be given to Ministers than they at present possess. I would now respectfully offer a few remarks upon the result of granting the powers Ministers think should be given them.

Let it be supposed that in a Colony possessing

representative institutions, Ministers resign, appeal to the country, are defeated and replaced by the Opposition. On coming into power, the new Ministry introduces—as Ministers are not unlikely to do—a measure which it thinks will be popular, besides that which they were returned to carry out. The Legislative Council throws it out, the Ministry advises the Governor to appoint sufficient Legislative Councillors to overcome opposition in the Chamber; the people have not been consulted support the arguments advanced in the Council, but (supposing Ministers have the power they think should be theirs) the Governor must grant the appointments asked for: the result would be that the Council is coerced, the measures are passed, and the people come under the law to which they may object and on which they have not been consulted.

The two Houses of the New Zealand Parliament possess each at present absolute liberty of speech; but, under the proposed change, the freedom of the Legislative Council would be at the mercy of the Ministry; the consent of both Chambers is now necessary before a measure can receive the Governor's assent. Should a measure be thrown out, it is open to Ministers to appeal to the country; thereafter, if the Legislative Council were to disregard the wishes of the Electorate as expressed at the polls, a sufficient emergency would then have arisen to justify the Governor in granting Ministers a sufficient number of appointments to bring the Upper House into harmony with the country.

This is, I submit, the constitutional practice,

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and it is more in accordance with the principles of freedom that the people should be the ultimate Court of Appeal in any difference between the Chambers, than that the power should rest with Ministers.

In a Despatch dated 19th October 1839, Lord John Russell says:

Every political Constitution, in which different bodies share the supreme power, is only enabled to exist by the forbearance of those among whom this power is distributed.

I would add that if the Constitutional checks which experience has placed on the power of the different bodies is swept away, the result will be, a distinct loss of liberty to the Colony, and almost absolute power to the Ministry.

The late Lord Granville, in a Despatch to Lord Belmore² dated 2nd October 1869, writes as follows:

When writing that Despatch, I was fully aware that the number of the Upper House was unlimited. I was also fully aware that on certain critical occasions it may become not only expedient but indispensable to bring the two Houses into harmony by creating or threatening to create a number of Legislative Councillors sufficient for that purpose; but it is not the less clear that the value and character of the Upper House will be destroyed if every successive Ministry is at liberty, without sufficient occasion, to obtain a majority in the Council by the creation of Councillors.

I respectfully submit that this extract, and the one foregoing, breathe just as much of the spirit of the Constitution of the present day as when

¹ Above, i. 178. ² Governor of New South Wales.

they were written, and that they are opposed to the view held by my Ministers.

With these remarks, I now beg to leave that branch of the subject for your Lordship's consideration.

With reference to my reasons for not accepting the advice of Ministers, your Lordship will be already aware that only two days had elapsed after my arrival in the Colony, when the Premier waited on me and tendered the advice my refusal to accept of which has given rise to this Despatch.

When I asked for delay that I might make myself acquainted with the subject, Mr. Ballance explained that to enable his supporters to settle down to their work in Parliament it was absolutely necessary that this question should be settled and the appointments made before Parliament met, which event occurred on the 23rd of June.

Whatever may be your Lordship's opinion of the course I have pursued, you will not fail to observe that my position was one of considerable difficulty; the same advice that was tendered to me had been offered to my predecessor, who, with his three years' experience of the Colony, had not been able to accept it: his secret memorandum on the subject lay before me. I had not had time to examine the matter for myself. I was confronted with a reason for immediate decision, as to the value of which I had not had time to decide; the difference between the number declined by Ministers and the number they would accept was so small that I could not think the

reasons given were sufficient to account for their action, and they appeared to be so incommensurate with the gravity of the step they took of creating a difference with the Governor, that I felt convinced that much more cogent reasons should be given than I had yet heard before I would be justified in accepting the advice tendered by Ministers.

For any further information on the subject I would refer your Lordship to the communications which have passed between myself and the Ministers dated the 27th July, the 2nd, 4th, 5th, 8th, 9th August, and also to the other papers which are mentioned in the accompanying schedule.

Before closing this Despatch I would beg to remark that this unfortunate difference between myself and the Ministers could not have occurred were the appointments to the Legislative Council made on a fixed principle.

If the Act for amending the mode of appointing Legislative Councillors were further amended in the following direction, the system would, except in an emergency, be self-adjusting.

I would enact that the strength of the Council should bear a fixed proportion to that of the House of Representatives; that it should be increased or decreased pari passu with the other Chamber, as occasion may require; that vacancies be filled up within three months of their occurrence by the Governor on the advice of Ministers; that a clause be inserted giving the Governor the power to appoint, on the advice of Ministers on an emergency, such a number of new Councillors as would bring the Council into harmony with the

country; some such enactment as this would effectually prevent any future differences.

Since this paragraph was written I have ascertained that in the year 1887 the late Sir Frederick Whittaker obtained a Committee of the Legislative Council to consider and report as to the best plan of reducing the numbers of the Council to one-half of the number of the Members of the House. He had previously moved to that effect, and also that the same proportion should thereafter be maintained.

The Committee reported in favour of the proposal, but no further action was taken.

From this it is clear that the Council in 1887 affirmed the general principles which I have ventured to suggest.

If there is anything in the manner in which I have brought this question under your Lordship's notice not entirely consonant with the usual practice, I beg you will attribute it to the unusual circumstances in which I have been placed, so soon after my arrival in the Colony.

I now leave the matter in your Lordship's hands, in the most perfect confidence that you will do me the justice to believe that I have been actuated solely by a desire to do what is best for the interests of the great and important Colony in which it is my privilege and pride to have been placed.

I have, &c.

GLASGOW.

ENCLOSURE

Ministers respectfully desire, through his Excellency, to direct the attention of the Right-Honourable the Secretary of State for the Colonies, to a difference between his Excellency the Governor and his Ministers, on a question which Ministers think involves the status of a self-governing Colony of the Empire.

The facts are briefly as follows:--Immediately after the last general election the then Governor, Lord Onslow, appointed upon advice Members to the Legislative Council. The Government of Sir Henry Atkinson was, as the result of the election at the time, in a minority, and resigned office upon the day of the meeting of Parliament. Mr. Ballance was sent for to form an Administration and his Government was supported by a large majority of the Hou. 3 of Representatives. A short session was held, and the General Assembly was prorogued to enable the Government to bring down their policy in another session. In that session their principal measures were carried by large majorities in the House, but some of the vital points of policy in these measures were defeated by still larger majorities in the Legislative Council, the position of the Government in the second Chamber on the question being represented by adverse votes of 18 to 5.

In the majority were included six out of the seven Members (the seventh being the Speaker) appointed on the advice, at the time, of a defeated Ministry. During the recess, and shortly before Lord Onslow's departure from the Colony, Mr.

Ballance advised his Excellency to appoint twelve members, as the least number thought necessary to allow the Government to be fairly represented in the second Chamber, and to enable the legislative and other functions which constitutionally pertain to this branch of the Legislature to be adequately performed.

Between the time of Mr. Ballance's Government being formed and when advice was tendered to Lord Onslow there had been six deaths, one vacation through absence, and leaves of absence extending over the next ensuing session, while it was notorious that several Members were, through old age, extremely unlikely to attend the next meeting of Parliament. Notwithstanding these facts, Lord Onslow refused to appoint a greater number of Councillors than eight, which number Ministers refused to accept. Lord Onslow left a confidential memorandum (which he was good enough to submit to Mr. Ballance for perusal) for his successor, in which was contained an extract from a Wellington Opposition newspaper extremely hostile to the Government, containing reasons for not accepting the advice of Ministers. responsibility was transferred from Lord Onslow to his successor, Lord Glasgow.

Between the departure of Lord Onslow and the arrival of Lord Glasgow the strength of the Council was still further diminished by one death. Upon the arrival of Lord Glasgow Mr. Ballance tendered his Excellency the same advice as he had given Lord Onslow, namely, to call twelve-new Members to the Council. His Excellency declined to accept the advice, but offered to appoint eight, with an

additional Member when the written resignation, telegraphed by the Agent-General, of the Honourable Randall Johnson arrived in the Colony. Ministers declined to accept a less number than they advised. Since then a Member of the Council, the Speaker, Sir Harry Atkinson, has died, while another has resigned. In this position the question remains.

Ministers would point out that the Parliament is in session, and they are answerable to the House of Representatives for the advice tendered to his Excellency. It has been alleged that they ought to have resigned when their advice was declined, but they relied on the constitutional practice as expressed in Todd's Parliamentary Government in the British Colonies, 1880, p. 590, which is as follows:

They would be responsible for the advice they gave, but could not strictly be held accountable for their advice not having prevailed; for, if it be the right and duty of the Governor to act in any case contrary to the advice of his Ministers, they cannot be held responsible for his action, and should not feel themselves justified in retiring from the administration of public affairs.

Ministers are of opinion that the responsibility of appointments to the Council should have rested with the responsible advisers of his Excellency, and that the refusal to accept their advice is in derogation of the rights and privileges of a self-governing Colony. In this case his Excellency is placed in the position of acting without advice, unless it be the advice of persons who are not responsible, and withdraws from those responsible

the confidence which the Constitution requires him to repose in them, upon the inadequate ground that nine are preferable to twelve additions to the Council.

It is further to be observed that while the advice of a Government that had just been defeated at a general election was accepted, the advice of a Ministry enjoying the confidence of a large majority of the representatives of the people is declined. Ministers, in fact, are impelled to the conclusion that the way in which their advice has been treated is more in harmony with the methods of a Crown Colony than with the practice followed in a great self-governing Colony which has long enjoyed the advantages of a free Constitution and a wide autonomy within the limits of the Empire.

J. BALLANCE.

Premier's Office, Weillington, 5 August, 1892.

(2) The Marquis of Ripon to the Earl of Glasgow

DOWNING STREET, 26 September, 1892.

My Lord,

I have the honour to acknowledge the receipt of your Despatch of the 8th August respecting the question which had arisen between yourself and your Ministers with regard to certain proposed nominations to the Legislative Council of New Zealand.

This question has been referred for my consideration by agreement between you and your

Ministers. I have carefully considered it, and in so doing I desire to say that I fully appreciate the difficult position to which you succeeded immediately on your arrival in the Colony, to assume for the first time the duties of a Colonial Governor.

I had, however, no hesitation, in advising you by telegraph on the 24th instant, to accept the recommendation of your Lordship's Ministers; and I now proceed to indicate the reason which led me to that conclusion.

The Legislative Council, as I understand, consisted, at the date of your Despatch, of 35 Members, and your Government proposed that to this number an addition should be made of 12, making altogether a Chamber of 47 Members, a number which is not larger than that which has existed in previous years, and the case is therefore distinguishable from those in other Colonies when it was proposed to make so many additions that the Chamber would have exceeded all former limits.

In the House of 35 Members, I gather that your Government could only rely on the consistent support of five. I do not assume that the remaining 30 Members could all be considered as opposed to the policy of your Ministers, but it seems to me that your Government is entitled to hold that it is not adequately represented, either for speaking or voting purposes, in the Upper Chamber, and that if the 12 Members were added as they desire they would only have 17 consistent supporters in a House of 47. In considering this aspect of the question, I am clearly

of opinion that the only fair and satisfactory mode of estimating the representation of the present Government in the Legislative Council, and of judging whether their claim to be allowed fuller representation is one to which no constitutional objection can be taken, is to examine the results of the voting in that House on the measures with which the Government of the day is identified.

I cannot, therefore, conclude that the proposed appointments constitute one of those cases to which the term 'swamping' has been applied, in which the proposed addition of Members at the instance of the Government for the time being has been so great, in proportion to the balance of parties in the Upper Chamber, as to overthrow that balance

altogether.

Your Lordship was willing to appoint nine new Members, and your Government desired that twelve should be appointed. It can hardly be considered that the difference between these limits is so great or important as to require a Governor to assume the very serious responsibility of declining to act on the advice of his Ministers, and possibly of having in consequence to find other advisers. Moreover it must be remembered that these appointments under the Colonial Law of 1891 will be for seven years only, and not for life, as in the case of some other Colonies possessing a nominated Upper House.

I have therefore dealt with the merits of the particular case on which my advice has been sought. But I think it right to add that a question of this kind, though in itself of purely local importance, presents also a constitutional aspect

which should be considered on broad principles of general application.

When questions of a constitutional character are involved it is especially, I conceive, the right of the Governor fully to discuss with his Ministers the desirability of any particular course that may be pressed upon him for his adoption. He should frankly state the objections, if any, which may occur to him; but if, after full discussion, Ministers determine to press upon him the advice which they have already tendered, the Governor should, as a general rule, and when Imperial interests are not affected, accept that advice, bearing in mind that the responsibility rests with the Ministers, who are answerable to the Legislature, and, in the last resort, to the country.

A Governor would, however, be justified in taking another course if he should be satisfied that the policy recommended to him is not only, in his view, erroneous in itself, but such as he has solid grounds for believing, from his local knowledge, would not be endorsed by the Legislature or by the Constituencies.

In so extreme a case as this, he must be prepared to accept the grave responsibility of seeking other advisers; and I need hardly add, very strong reasons would be necessary to justify so exceptional a course on the part of the Governor.

I have, &c.

RIPON.

4. THE SALE OF THE NEWFOUNDLAND GOVERNMENT RAILWAY

The Right Hon. Joseph Chamberlain to Sir H. H. Murray

> Downing Street, March 23, 1898.

Sir,

In my telegram of the 2nd instant I informed you that if your Ministers, after fully considering the objections urged to the proposed contract with Mr. R. G. Reid for the sale and operation of the Government railways and other purposes, still pressed for your signature to that instrument, you would not be constitutionally justified in refusing to follow their advice, as the responsibility for the measure rested entirely with them.

2. Whatever views I may hold as to the propriety of the contract, it is essentially a question of local finance, and, as her Majesty's Government have no responsibility for the finances of self-governing colonies, it would be improper for them to interfere in such a case unless Imperial interests were directly involved.

On these constitutional grounds I was unable to advise you to withhold your assent to the Bill confirming the contract.

3. I have now received your despatches as noted in the margin, giving full information as to the terms of the contract, and the grounds upon which your Government have supported it, as well as the reasons for which it was opposed by the Leader and some members of the Opposition.

4. I do not propose to enter upon a discussion of the details of the contract, or of the various arguments for and against it, but I cannot refrain from expressing my views as to the serious consequences which may result from this extraordinary

measure.

5. Under this contract and the earlier one of 1893 for the construction of the railway, practically all the Crown Lands of any value become, with full rights to all minerals, the freehold property of a single individual, the whole of the railways are transferred to him, the telegraphs, the postal service, and the local sea communications, as well as the property in the dock at St. John's. Such an abdication by a Government of some of its most important functions is without parallel.

6. The Colony is divested for ever of any control over or power of influencing its own development, and of any direct interest in or direct benefit from that development. It will not even have the guarantee for efficiency and improvement afforded by competition, which would tend to minimize the danger of leaving such services in the hands of private individuals.

7. Of the energy and capacity and character of Mr. Reid, in whose hands the future of the Colony is thus placed, both yourself and your predecessor

have always spoken in the highest terms, and his interests in the Colony are already so enormous, that he has every motive to work for and to stimulate its development; but he is already, I believe, advanced in years, and, though the contract requires that he shall not assign or sub-let it to any person or corporation without the consent of the Government, the risk of its passing into the hands of persons less capable and possessing less interest in the development of the Colony is by no means remote.

- 8. All this has been fully pointed out to your Ministers and the Legislature, and I can only conclude that they have satisfied themselves that the danger and evils resulting from the corruption which, according to the statement of the Receiver-General, has attended the administration of these services by the Government, are more serious than any evils that can result from those services being transferred unreservedly to the hands of a private individual or corporation; and that, in fact, they consider that it is beyond the means and capacity of the Colony to provide for the honest and efficient maintenance of these services, and that they must therefore be got rid of at whatever cost
- 9. That they have acted thus in what they believe to be the best interests of the Colony I have no reason to doubt, but whether or not it is the case, as they allege, that the intolerable burden of the public debt, and the position in which the Colony was left by the contract of 1893, rendered this sacrifice inevitable, the fact that the Colony, after more than forty years of

self-government, should have to resort to such a step is greatly to be regretted.

10. I have to request that in communicating this despatch to your Ministers you will inform them that it is my wish that it may be published in the Gazette.

I have, &c.,

J. CHAMBERLAIN.

5. THE DEPORTATION OF LABOUR LEADERS FROM SOUTH AFRICA

Rt. Hon. L. Harcourt, House of Commons, February 12, 1914

I THINK it will probably be for the convenience of the House if I state at once, as shortly as is possible, the attitude of his Majesty's Government towards the recent occurrences in South Africa; and, in doing so, I should like to express my appreciation of the eloquence and moderation with which this Amendment has been brought before the House by my hon. Friend. The House will, I am sure, forgive me if I attempt to survey a rather wider field, because those whom my hon. Friend generally represents, and whose views he voices in this House, have not been quite so moderate outside, either in the charges they have made against the Governor and the Government of South Africa, or in the demands which they have advanced as to the methods by which the Government should deal with this question. I acknowledge the recognition which the hon. Member gave to the special circumstances and the existence of responsible self-government in South Africa, and I hope the House will throughout this Debate bear those circumstances in mind. This House has great responsibilities. It also has great powers

-powers which are decreased and not enhanced by a capricious or careless exercise of them. is quite possible, in the observations I have to make in relation to South Africa and others of our distant possessions, I may use phrases and express opinions which may seem to hon. Members opposite applicable, or at least available missiles, in our controversies nearer home. I could not prevent their use in the future for that purpose. I will only beg them not to-day to confuse a debate which may turn on grave Imperial topics with those matters which concern our controversies in this country. The speeches to be made here to-night will be cabled throughout the Empire, and any words said here in derogation of autonomous rights will reverberate throughout our Dominions.

I would not for a moment suggest that autonomous rights can be divorced from Imperial dignity. Autonomy carries with it no immunity from the Press or public criticism, but it deserves and is entitled to the largest amount of relief from official interference and Parliamentary censure which is compatible with the inherent rights of freedom. The British citizenship to which my hon. Friend referred is really a misnomer. It does not, in fact, exist; it is an attempt to make too literal a translation of the Civis Romanus sum. What does exist is British subjecthood, which entitles its possessor to the protection of his Sovereign through the Executive. But it gives to the individual no right and no licence in any part of the Empire to violate the laws which it is within the competence of the Dominion to pass

and to administer. The Imperial Parliament here cannot grant responsible self-government, as it has done throughout nearly a century in varying degrees, in different climes, and to different races, with practically unqualified success, and then hope or attempt, when feelings or prejudices are aroused, to interfere or intervene as if it were dealing with a Crown Colony or a Protectorate. The late Mr. Lyttelton said, in 1910, that, so far as policy is concerned, the Governor of a self-governing Dominion is bound to take the advice of his Ministers. I deal especially with this point because, outside this House, there have been violent demands for the recall of Lord Gladstone. Mr. Lyttelton went on to say:

The Imperial Government makes no claim whatever to interfere in the local or internal affairs or measures of self-governing Dominions, even if those measures be entirely repugnant to our views.

I think it was the late Prime Minister who said on one occasion in this House, that it was more important to a country to be self-governed than well-governed. You may dissent from that view, but, even if you do, we can still boast, as I shall do, that our Dominions are both. We have never insisted on similarity or simultaneity in their law-making. We have allowed them, without let or hindrance, to try what many people in this country regard as experiments, and some people regard as dangerous experiments. We have not interfered. In Australia and New Zealand, there is compulsory military training which at present is neither in force nor in favour

in the United Kingdom. In Canada, South Africa, and elsewhere there is compulsory arbitration in labour disputes, which makes, under certain circumstances and conditions, a strike a criminal offence. These are not our laws or practice, but we do not prevent the Dominions from considering every British subject entering one of these Dominions as equally legally subject to those laws.

In South Africa the laws and surrounding circumstances are very widely different to our own. In the Transvaal many clauses of Lord Milner's Indemnity and Peace Preservation Act. 1902, are still in force, with a very different definition of sedition to our own. Under that ordinance a man may be arrested, without warrant, by a police officer, and charged with sedition, and sentenced to a maximum of five years', and, under certain circumstances, of seven years' imprisonment, for these offences: 'Inciting his Majesty's subjects to attempt to procure, otherwise than by lawful means, an alteration of any matter in the Transvaal by law established; or inciting any person to commit any crime in disturbance of the public peace, or to arouse discontent and dissatisfaction amongst his Majesty's subjects, or to promote violence, ill-will or hostility between different classes of his Majesty's subjects.' I wonder how many Members of this honourable House would be safe from conviction for sedition under this ordinance?

Mr. Ramsay Macdonald: Quote the next sentence.

Mr. Harcourt: That qualification makes no

difference to my point. I believe it was under that ordinance that Mr. Poutsma and other leaders were originally arrested. I spoke just now of the conditions and surrounding circumstances in South Africa. It is only necessary to mention, in relation to that, the fact that there are less than 1.250,000 whites and over 5,000,000 natives in the Union of South Africa, inextricably mixed up in location and occupation. The gold-mines have collected around them, as they do everywhere, a cosmopolitan and polyglot community which has not more and sometimes less regard for legal obligations than other classes of labour.

In Johannesburg alone there are 250,000 natives employed upon the mines, and, when work ceases in the mines, these natives are idle, hungry, and restless. I do not agree with my hon. Friend that the illustration of Jaggersfontein and the outbreak of the Basutos is rot in point. It arose, I believe, from a suspicion that the death of a black man might be attributed to one of the white overseers. At all events, hon. Members can realize for themselves that that is the sort of volcano on which every one is sitting in South Africa. It is no part of my duty-indeed, I think it would be a great indiscretion in the office I holdif I were to offer publicly any opinion upon the incidents of Dominion administration. I shall express neither criticism nor approbation. It is my duty to keep an eye and an ear upon all the Dominions, and to try, as best I can, to hold the balance even between the interests of this country and of our great Dependencies. But I know there are some people who think that the Union

Government have erred in action and in judgement. I express no opinion, but I would say to those who think so: 'When you gave selfgovernment did you think that you had discovered any immaculate and impeccable race? Did you think no Dominion would ever commit an act with which you disagreed?' If you did, it was a dream of infallibility you would not dare to claim for yourself. It is human to err and it is humane to make allowances for what you regard as errors. You could easily smash the Empire by a day's Debate in this House if you evinced a desire to meddle and to muddle with the vital affairs of your Dominions whenever their action does not coincide with your ideals of legislation or administration. I hope and believe that this House will commit no such folly to-day.

I am prepared to express my opinion on Lord Gladstone's action. While I express neither condemnation nor approval of the action of the Union Government in recent events, I am bound to make their case for them, because I am their only representative in the Imperial Parliament. They have, rightly and fortunately, had an opportunity of making their own justification and their own explanation in their own Parliament, though we have not yet had time to receive it fully. I ask the House to look for a moment at what has been their situation and their experience during the last eight months. Six months ago they had the Rand strike, which led to very great disturbances in which dynamite was used. Men were asked to come armed to public meetings. A general strike of all the public services was threatened. Two hundred and fifty thousand natives in the compounds at Johannesburg were alleged to have been approached with attempts to raise them also against the authorities. In the transition period of local defence the Imperial troops had to be used. Many people were, unhappily, killed, and the innocent, as usual, suffered with the guilty. Then, in November, came the Indian so-called 'passive resistance.' I do not want, and I hope the House will not endeavour, to discuss that matter to-day, because there is a Commission now sitting in South Africa, with the countenance of the Indian Government and with the assistance of a distinguished Indian Civil servant, with, I believe, very good hopes of arriving at a settlement. There, again, on that occasion, there was considerable loss of life and much disturbance both of peace and of labour.

Then, in December, came the railway strike. I will not deal with its merits. It arose, I believe. out of the desire of the Union Government for retrenchment and economy, but its original merits were soon lost sight of. A sympathetic and general strike was declared; dynamite and sabotage were threatened and effected. My hon. Friend challenged me as to the dynamite outrages, which he declared to be either untrue or exaggerated. Within the last few days a Return has been laid on the Table of the Parliament in South Africa giving the number of the dynamite outrages between 7th January and 30th January as twenty-The participators in all this work were known to be, and were, indeed, instructed, to be armed. All industry, all the public services of

health and light, were threatened by a stoppage for want of coal. The whole population were threatened with starvation by the stoppage of the food supplies. The Union Government regarded this as a condition of anarchy and of revolution, which necessitated extra-legal action for the moment. No suggestion and no request for the use of the Imperial troops was ever made. So far as I know there was no contemplation of that. No communication as to Imperial troops was made either to Lord Gladstone or to me. Union Government mobilized their own forces. and, whatever you may think of the object with which that was done, you must admit that it was done with extraordinary rapidity and success. They dealt with the situation by and for themselves. Happily there was no collision between the local forces and the population. No lives were lost, and there was no firing upon crowds or upon the people. The Union Government, knowing the facts as we here cannot know them, deemed the proclamation of martial law to be essential to the safety of the country. On their Ministerial responsibility they advised Lord Gladstone to sign that Proclamation. He did so, and in my opinion rightly and necessarily, without any reference to me. There was no time and no necessity for that. I could not judge here of the gravity of the emergency.

Lord Gladstone was fully apprised of the facts, and he was aware, of course, of the immensity of the danger of a native conflagration throughout the Union and the Protectorate. He properly assented to the only method which his responsible

advisers recommended to deal with an existing and urgent situation. But he did so on the assurance that his Ministers would immediately endeavour to obtain from their Parliament the ratification of and an indemnity for the action they proposed to take. That is the Indemnity Bill which is now before the Union Parliament and which is fully within their competence. At a later stage the decision—a serious one I admit—was taken by the Union Government to expel from South Africa certain men who had been primarily concerned in these preceding events. After the proclamation of martial law-which is, of course, a contradiction in terms, because it is a negation of all law, and action under it is illegal until it has been indemnified by the law-making power-Lord Gladstone ceased to have any direct or personal responsibility for the action of the military or the Executive. His consent and concurrence to the expulsions was neither sought for nor obtained. He was informed of the fact at the time it was taking place. He took note of the information of his Ministers that the expulsion was required, in their opinion, in the interests of public order in the Union, and that the Ministers' action would be immediately submitted to Parliament for confirmation. Lord Gladstone had previously been informed by his Ministers that they might feel it necessary to expel possibly a dozen men, that the Ministers were fully aware that this would excite strong feeling in England and elsewhere, not excluding South Africa, and that they would not undertake it without clear and urgent neces-Lord Gladstone took note of that informa-

tion. Having done this much, he had, in my opinion, done all he was entitled to do in his position as constitutional Governor with responsible representative Ministers.

Where an act is irreparable and final, like the execution of a death sentence, other considerations may arise, but undoubtedly expulsion is a less severe penalty than the five or seven years' hard labour which might have been inflicted on these men had they been convicted under Section 17 of the Peace Preservation Act, which I have just read. Indeed, expulsion could have been made under the process of the ordinary law which has been in force in the Transvaal from 1907 to 1913, a law which was only altered and amended by the passage of the new immigration law of last year. Indeed it is probable, indeed I suppose it is certain, that legal questions will arise in this country in regard to these expulsions, and, pending the decision of the Courts, I would not wish to offer any opinion on the situation which may arise here in this matter. As to the legal prohibition of their return to South Africa, no confusion should be allowed to arise from the fact that it is included in the Indemnity Bill. Many matters germane to the future peace and good order of a country have been often included in Indemnity Bills, as any one will at once see if he looks at the Transvaal Ordinance of 1902, which I have already quoted. It is admittedly within the competence of the Union of South Africa to legislate as to the class, the type, and the nature of immigrants whom it is prepared to admit. power of restrictive legislation has long been in active operation in Canada, Australia, and New Zealand.

I will now deal for a moment specifically with the action and position of Lord Gladstone in relation to these events. It is said by some-in fact, by a good many outside—that he ought to have refused his assent to or prevented the proclamation of martial law, and that, failing to do so, he ought to have been recalled by his Majesty's Government. I entirely deny the validity or the iustice of such a suggestion. The position of Governor-General of South Africa is, in the main. largely analogous to that of the constitutional Sovereign of this country, and those who suggest Lord Gladstone's recall would be the last to suggest here that a constitutional Sovereign should neglect or act contrary to the advice of his Ministers possessing the confidence of an existing Parliament. But, assuming their premiss for a moment, let me ask then what they think that Lord Gladstone or any Governor of any Dominion could do in such circumstances by attempting to act contrary to the advice of his Ministers? A situation had arisen, with a railway and general strike in operation, in which a body of responsible Ministers had deliberately come to the conclusion that martial law must be proclaimed. No body of men would lightly come to such a decision as that. They so advised the Governor-General. What do hon. Members think would have happened if he had refused his assent to their advice? It is no use making pretences to ourselves or blinking the facts. Only one result could have followed on such action: General Botha's Government

would have resigned, and no other Government could have been found to take its place. Lord Gladstone would have remained a solitary and powerless figure with a state of public tumult round him which he could neither conciliate nor quench, and with no resources to his hand except those Imperial troops, which we must all be glad have not had to be used on this occasion. As to the expulsions, Lord Gladstone had no responsibility. That was the act of the Executive and the military authority after the proclamation of martial law. I said it was neither my duty nor my intention to offer comment by way of criticism or approval of the acts of the South African Government, and that that course would be an unwise and a dangerous precedent. I beg hon. Members to believe and to realize that the habit of nagging criticism of the conduct by the Dominions of their own internal affairs is the worst cement which we can apply to the distant democracies of your Empire, but in the case of Lord Gladstone. as Governor-General, I feel bound to speak, and I desire to say, on behalf of his Majesty's Government, that we feel that, in the circumstances as we know them, his action was entirely correct, and that he retains the full confidence of the British Government, which he has possessed throughout the tenure of his post in South Africa.

I turn for a moment to the subject of the Indemnity Bill which is before the South African Parliament. We know its contents by telegraph, and I have circulated them in a White Paper for the convenience of the House. We find that it conforms in every way to the proper wording and

structure of such measures, of which there have been more than one in South Africa, with, of course, the addition of the Expulsion and Exclusion Clause. I am now aware that Clause I will be altered in Committee in South Africa in order to bring martial law to an end immediately, everywhere, on the passage of the Bill. It has been suggested—in fact, it is suggested by this Amendment—that Lord Gladstone should be instructed to reserve this Bill until some inquiry has been granted and held, and a motion to that effect is at this moment before the Union Parliament in South Africa. If they agree to that suggestion, hon. Members will get the inquiry. If they reject it out there you cannot hope to obtain it by reserving the Bill. It has been suggested and demanded that I should advise the disallowance and veto of this Bill. That would be an unprecedented and wholly unjustifiable course. It would be unprecedented, because the case of New Zealand -- the Act of 1866-is not really in point. Assent was withheld from that Act because it did not contain the usual provision that the acts indemnified should have been done in good faith, but when a new Bill containing these words was passed through the New Zealand Parliament in the following year the Act was immediately assented to. When I said the withholding of assent from the present Bill would be unjustifiable, I did so on the ground that such legislation is essentially one of the attributes and prerogatives of the responsible and popularly The hon. elected Parliament of South Africa. Member (Mr. Ramsay Macdonald) a few days ago

used some very admirable words—I wish he had repeated them to-day—describing the situation. He said:

The Union Parliament is the proper battleground; we cannot fight these battles from the House of Commons. It is the trade unionists of South Africa through elected Labour members who have got to fight their own battles in that self-governing community.

That I think is the true and proper view of this matter. The Union Government is responsible to the Union Parliament. If that Parliament gives them that support and passes the Bill which indemnifies their action, then it will be in the highest degree unwise and impolitic to attempt to reverse that decision here. If the democracy of South Africa is dissatisfied with this Government, it should put pressure upon its representatives to reject that Bill and to turn out the Government. If they fail to do so they will have an opportunity of a General Election, which, like our own, cannot be delayed beyond the end of next year; but with that early and sufficient opportunity you will not, if you are wise, attempt to interfere with the discretion of the Union Parliament. It is hardly necessary for me to remind the House how sensitive are responsible Governments even of supposed reversals of matters which are under their direct control. Hon. Members will not have forgotten that a few years ago a predecessor of mine asked for the suspension of some capital sentence that had been passed in Natal, merely in order that he might have time to obtain the particulars. The Government of Natal, erroneously thinking that their discretion was being interfered with, immediately resigned, and they only withdrew their resignation after an assurance by the Secretary of State for the Colonies that his Majesty's Government at no time had the intention to interfere with the action of the responsible Government of Natal. And to show the House how closely these events are watched throughout the Empire, I would remind them that within two days of the resignation of the Natal Ministry formal protests against the supposed action of his Maiesty's Government were received here from the Governments of Australia and of New Zealand. I have said this much in order to show the House why, if and when this Indemnity Bill passed both Houses of the Union Parliament, I shall not advise its reservation or disallowance, subject to any new fact or situation which may arise in the meantime, and I would remind hon. Members who wish me to take the opposite course that the possible and probable result of such action would be that martial law would be maintained in South Africa until the Indemnity Bill had been assented to.

Expulsion, except of undesirable aliens after conviction, is foreign to our ideas and methods in this country, but the words and methods are more familiar to residents in South Africa, because they have been taught them by ourselves. In July, 1900, during the war, on the discovery of a plot at Johannesburg to murder British officers, no fewer than 1,700 men of various nationalities were arrested and, without any trial or process of law, were sent by train to the coast and deported

in British ships. Again, in 1901, after the war had long been officially declared to be over, there were some burghers still resisting our authority, and Lord Kitchener, on instructions from the right hon. Gentleman (Mr. Joseph Chamberlain) and the British Governor, issued a proclamation that unless these burghers surrendered in five weeks they would be permanently banished from South Africa. I only quote those two instances to show that on previous occasions expulsions have been threatened and have been effected against people in South Africa, and that for the last six years it has been part of the ordinary law of the Transvaal. If this Debate is to continue, I hope it will be conducted with careful regard to the feelings and the just sensitiveness of the people and the Governments of our self-governing Dominions. I would say to the hon. Member who moved this Amendment that to Labour, above all classes in the community, the maintenance of responsible self-government and the constitutional action of the supreme authority is of an importance which transcends any apparent or alleged departures from administrative correctitude; and I would say to all those who are interested in the Imperial connexion, though it is a well-worn platitude, that the Empire is held together by a silken cord. Beware lest you twist that cord into a whip-lash, for the crack of that lash would be the knell of your Empire. We here have created of our own free will these great free Parliaments and institutions which are wide flung throughout the world. They are our constant pride, and only our occasional embarrassment. Treat them with a broad

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mind and a wide confidence and we and they shall win through for all that is the essential basis of freedom and of civilisation. But it is your toleration and your restraint which can alone proclaim your confidence and your generosity, and which alone can maintain the good fellowship of a united Empire.

- 6. THE DISPUTE BETWEEN THE GOVER-NOR OF TASMANIA AND HIS MINISTERS AS TO THE DISSOLUTION OF PARLIA-MENT
 - (1) The Governor to Mr. Earle

GOVERNMENT HOUSE, HOBART, TASMANIA.

THE HONOURABLE JOHN EARLE,

The Governor is prepared to entrust Mr. Earle with the duty of forming an Administration on the following conditions:—

(1) That an immediate dissolution of Parliament shall take place;

(2) That the newly elected Parliament shall be summoned before the end of May;

(3) That, in the event of the office of Attorney-General not being filled by a fully qualified lawyer in practice, the Governor must reserve the right to obtain legal advice, when he considers it necessary, from other sources.

WILLIAM ELLISON-MACARTNEY, Governor.

April 3, 1914.

(2) Mr. Earle to the Governor

Memorandum for his Excellency

Mr. Earle presents his respectful compliments to his Excellency.

Since Mr. Earle's interview with the Governor on the 3rd instant, relative to the formation of an Administration, Mr. Earle has given very earnest consideration to the question of the pledges demanded by the Governor as the condition of Mr. Earle's acceptance of office, and, being of opinion that the demand of those conditions raises questions of grave constitutional importance, not only to this State, but to all his Majesty's self-governing Dominions, Mr. Earle deems it his duty to respectfully submit to the Governor the following observations, and to respectfully request the Governor's consideration thereof:

The Governor's late Ministers were the subject of a motion proposed and carried in the House of Assembly, declaring that they no longer possessed the confidence of the House.

Thereupon, I understand, the Governor's late Ministers advised the Governor to dissolve the House of Assembly. The Governor did not accept such advice, but entrusted Mr. Earle with the duty of forming an Administration on the following conditions, namely:-

(1) That an immediate dissolution of Parliament shall take place;

(2) That the newly elected Parliament shall be summoned before the end of May; and

(3) That, in the event of the office of Attorney-General not being filled by a fully qualified lawyer in practice, the Governor must reserve the right to obtain legal advice. when he considers it necessary, from other sources.

Conditions (1) and (2) Mr. Earle demurred to. Mr. Earle commands the confidence of a majority of the Members of the House of Assembly, and he has given the Governor his assurance that he can carry on the Government.

On these facts Mr. Earle respectfully submits to the Governor:—

- (1) That the exaction of the pledge to advise a dissolution of the House of Assembly is contrary to the principles and well established practice regulating the conduct of Parliamentary Government;
- (2) That the circumstances of the case are not such as to justify the Governor in forcing a dissolution on his Ministers.

As to (1): The cardinal principle of Parliamentary Government is that the powers of the Crown are exercised through Ministers, who are responsible to Parliament for the manner in which those powers are used. The principle is very clearly enunciated in the despatch of 26th March, 1862, from the Colonial Secretary to the Governor of Queensland-'The general principle,' writes the Colonial Secretary, 'by which the Governor of a Colony possessing responsible Government is to be guided is this: . . . in matters of purely local politics he is bound, except in extreme cases, to follow the advice of a Ministry which appears to possess the confidence of the Legislature.' (Cited in Todd on Parliamentary Government in the Colonics, at page 630.)

One of the powers of the Crown in this State--a power conferred on the Governor by 'The Con-

stitution Act'--is to dissolve the House of Assembly. But, in conformity with the principle above referred to, such a power should only be exercised on the advice of Ministers who are prepared to accept the responsibility for the use of it.

It is true that by virtue of the terms of his Commission the Covernor has the power to act in opposition to the advice of his responsible Ministers, but such a course would be practically impossible in the case of a dissolution, and in any case could only be justified where there existed some very extraordinary cause calling for the Governor's personal action.

Mr. Earle respectfully submits to the Governor that the enforcement of the conditions as to a dissolution imposed by the Governor would work a subversion of the fundamental principles of the Constitution.

As the Governor's Minister, it is Mr. Earle's bounden duty to tender to the Governor such advice as Mr. Earle thinks right and proper, and the interest of the State calls for; but this he cannot do if he binds himself by the conditions imposed by the Governor.

If Mr. Earle accepts the pledge demanded, the power of dissolution will, in fact, be not only exercised without Mr. Earle's advice, but in direct opposition to the opinion he entertains as to what his advice should be. Instead of being advised by his Minister, the Governor will make a rule for his own conduct, which his Minister will not be permitted to disturb with his advice. No Minister ought to be asked to be responsible for an act he does not approve of and cannot control.

Mr. Earle, in concluding his remarks on proposition No. 1, respectfully reminds the Governor of the opinion of Sir Erskine May on the question of the pledge demanded by the reigning Sovereign in 1807 from Earl Grenville: 'No constitutional writer,' Sir Erskine May declares, 'would now be found to defend the pledge itself or to maintain that the Ministers who accepted office in consequence of the refusal of that pledge had not taken upon themselves the same responsibility as if they had advised it' (May, Constitutional History of England, 1912 edition, page 79). So that not only is the demand of a pledge unconstitutional. but any Minister who accepts office in consequence of a former Minister having declined to give a pledge is in the same position as if he had advised the imposition of it.

As to (2): The power of dissolution is, as the Governor is fully conscious, a very delicate instrument of government, only to be exercised in cases of necessity. The reported precedents relating to it are numerous, and, as might be expected, the great rajority of them are authorities for circumstances in which the power should not be put into operation.

Two of the cases in which the power should not be exercised are:—

- (a) Where there is another alternative, that is to say, where it is possible for the Governor to secure a Ministry who can carry on the government with the confidence of a majority of the Legislative Assembly; and
- (b) Where there is no important political ques-

tion upon which contending parties are directly at issue.

Authorities for case (a) are the Memorandum addressed by the Governor-General of Canada to Mr. Brown-Dorion (cited in Todd on Parliamentary Government in the Colonies, at pages 768-769). The Governor-General, in declining to grant Mr. Brown-Dorion a dissolution, stated as a reason for the course he adopted that 'he is by no means satisfied that every alternative has been exhausted, or that it would be impossible for him to secure a Ministry who would close the business of the session and carry on the administration of the government during the recess with the confidence of a majority of the Legislative Assembly.' And also the Memorandum dated the November, 1877, of his Excellency the Governor of New Zealand to the Honourable Sir George Grey, where his Excellency, in declining Sir George a dissolution, stated the principle which guided him, as follows:-- 'The only desire of the Governor is to secure a Government, no matter how constituted, which can command the confidence of a majority of the representatives of the people of New Zealand.

Case (b) is supported by both the same authorities, as well as many others (e.g. Hearn, Government of England, page 164).

Todd states the rule thus: 'It is not a legitimate use of the prerogative of dissolution to resort to it when there is no important political question upon which contending parties are directly at issue.'

In the case now before the Governor, both of

the above-mentioned circumstances are present. Mr. Earle commands a majority of the House of Assembly, and he has given the Governor his assurance that he can carry on the government.

Further, there is no important political question upon which the two parties in the House of Assembly are at this juncture directly at issue.

The general policies of the two parties differ widely, but there is no particular question now at issue between them; but, on the contrary, both parties entirely agree that before any satisfactory appeal to the country can be made it is necessary that Parliament should give consideration to the electoral system.

The foregoing remarks are reasons why a dissolution was not warranted at any period since the censure motion, but the case against a dissolution, however, is now very much stronger.

The Governor has declined to accent his late Minister's advice, and must therefore have been of opinion that a dissolution would be unwarranted, for the conventions of Responsible Government require that, if a dissolution is warranted by the circumstances, the request for it by the Minister of the day should be granted.

Mr. Earle respectfully submits to the Governor that he should not be called into office only to have a proceeding forced on him which he thinks improper, and therefore cannot advise. To place Mr. Earle in such a position is, he respectfully submits, tantamount to asking him to accept the responsibility of advice tendered by a former Minister who no longer enjoys the confidence of Parliament, and which Mr. Earle cannot endorse.

Mr. Earle has felt it his duty to submit the above remarks to the Governor, and he most respectfully requests the Governor's consideration of them.

JOHN EARLE, Premier.

PREMIER'S OFFICE, April 7, 1914.

(3) The Governor to Mr. Earle

GOVERNMENT HOUSE, HOBART, TASMANIA.

THE HONOURABLE THE PREMIER,

The Governor begs to acknowledge the receipt of Mr. Earle's Memorandum, which he received

yesterday.

His Excellency thoroughly accepts the doctrine of Ministerial responsibility, though he differs from the application of it as set out by Mr. Earle. The Governor desires to point out that he gave Mr. Earle and his colleagues in the Ministry the fullest opportunity of considering the conditions he laid down. These conditions were accepted by Mr. Earle, and subsequently by his colleagues upon their assuming office, by which act they have now become part of their responsibility, notwithstanding that Mr. Earle differed from his Excellency before accepting office in his view of their necessity.

The Governor would remind Mr. Earle that it is his (the Governor's) duty to consider the question of a dissolution of Parliament solely with reference to the general interests of the people, and not from a party standpoint; and he is further entitled to stipulate upon whatever conditions he

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may deem essential for the promotion of the public interests before he proceeds to exercise the powers entrusted to him.

For reasons which he need not now enter upon, the Governor did not consider the late Ministry entitled to a dissolution, but, having come to the conclusion that a dissolution was necessary, he believed that the best chance of securing a stable Administration was to entrust Mr. Earle with the duty of forming one, subject to the conditions which Mr. Earle accepted.

The Governor had previously considered the instances to which Mr. Earle refers, and has again considered them. One is not relevant to the issue, and the others in no way conflict with the opinion arrived at by his Excellency.

The Governor is also unable to accept the views held by Mr. Earle on—(1) the present relations of political parties to each other in this State, or on (2) the existing situation.

The Governor must point out that he placed no pressure upon Mr. Earle to accept office under the conditions referred to. They were deliberately accepted by Mr. Earle after the Governor had informed him that they could not be altered, and as deliberately accepted by the other members of the Administration whose names were submitted to his Excellency on the following day.

The Governor therefore cannot admit that he is forcing any policy on Mr. Earle, or that the question of dissolution is one upon which Mr. Earle is now in a position to offer his Excellency advice which he is bound to accept.

It is important to bear in mind that the discre-

tion of a Governor with regard to the question of dissolution is, as in other instances of the exercise of the prerogative, much wider in the Colonies than that upon which by constitutional practice the Sovereign acts in the United Kingdom. It is impossible, as one of the most recent authorities on government in the Dominions has pointed out, to maintain the position that the Governor is a parallel to the Sovereign in Constitutional Monarchy, and that therefore he is obliged to act on the advice of his Ministers in the same sense as that in which the King of the United Kingdom acts on the advice of his Ministers.

WILLIAM ELLISON-MACARTNEY, Governor.

April 8, 1914.

(4) Address of the House of Assembly

To his Excellency SIR WILLIAM GREY ELLISON-MACARTNEY, Privy Councillor, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Governor in and over the State of Tasmania and its Dependencies, in the Commonwealth of Australia

MAY IT PLEASE YOUR EXCELLENCY:

We, his Majesty's dutiful and loyal subjects, the Members of the House of Assembly of Tasmania, in Parliament assembled, desire to very respectfully express our opinion that the action of your Excellency in imposing on Ministers, as a condition of their appointment, an undertaking to

¹ Responsible Government in the Dominions, iii. 1627, 1628; Imperial Unity and the Dominions, pp. 85-90.

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agree to a dissolution of Parliament, whether this House approves the policy of Ministers or not, is contrary to the well-established usage of Responsible Government, and, this House respectfully suggests, is undesirable; and we pray that your Excellency will be pleased to forward the above-mentioned resolution of this House, together with copies of all communications between your Excellency and the Honourable the Premier relating to such condition, to his Majesty the King, through the Right Honourable the Secretary of State for the Colonies.

W. A. Woods, Speaker.

Passed by the House of Assembly, this eighth day of April, 1914.

J. K. Reid,
Clerk of the House.

(5) The Secretary of State to the Governor

DOWNING STREET, June 5, 1914.

SIR.

I have the honour to request you to inform your Ministers that I have duly received the text of the address passed by the House of Assembly on the 8th of April, in which the House expressed their opinion that "your action in imposing on Ministers, as a condition of their appointment, an undertaking to agree to the dissolution of Parliament, whether this House approves the policy of Ministers or not, is contrary to the well-established usage of Responsible Government, and, this House respectfully suggests, is undesirable." I have, as

requested, laid it before the King, and his Majesty was pleased to receive it very graciously.

- 2. I have given my most careful consideration to the course of events which led up to the presentation of this address. I recognize that a difficult position has existed for some time in Tasmania, owing to the practical equality of parties in the House of Assembly, but I am of opinion that your action in the matter was not in accordance with constitutional practice. The grounds on which I have come to this conclusion are as follows.
- 3. The observance of the principles of Responsible Government requires that a Governor must be clothed with Ministerial responsibility for all acts in relation to public affairs to which he is a party as head of the Executive. He cannot. therefore, perform any such act except on the advice of his Ministers, and for performing it on such advice no political responsibility attaches to him personally. The question whether or not a dissolution should be granted is a purely internal affair and is thus regulated by the general rule. A Governor, therefore, cannot dissolve the Legislature except on the advice of his Ministers. There have, of course, been not a few cases in which Governors have rejected advice tendered to them by their Ministers that the Legislature should be dissolved. These do not, however, stand on a different constitutional footing from any other case in which a Governor may have found himself unable to accept the advice of his Ministers. such cases the Ministers either acquiesce in the Governor's action, in which event they accept

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responsibility for it, or leave the Governor to find new Ministers who will accept the responsibility.

- 4. A Governor may feel it incumbent on him to consider with special care requests for dissolutions, but constitutionally he has no special powers in such matters. It follows, therefore, that he is no more entitled to impose on an incoming Ministry, as a condition of admitting them to office, that they should advise a dissolution of the Legislature than that they should tender any other specified advice. A Governor is, of course, entitled to discuss the aspects and the needs of the political situation freely and fully with his proposed new Ministers, but he cannot go to the length of requiring them to give any particular advice as a condition of accepting their services without claiming a personal responsibility which does not attach to him.
- 5. I have carefully examined, in this connexion, the action of the Lieutenant-Governor of Nova Scotia in 1860, to which my attention has been drawn as affording a possible parallel to your own action. In that case Lord Mulgrave had rejected the advice of his Ministers that a dissolution should take place, on the ground that it was improper thus to interfere with the procedure provided by law for testing the validity of the elections of certain members of the Assembly. Before commissioning Mr. Young as Premier in succession to Mr. Johnstone, Lord Mulgrave required from Young an assurance that each case of alleged disqualification should be inquired into with as little delay as possible. This assurance was duly given by Mr. Young before he was entrusted with the

duty of forming the Government. Viewed in the light of what had happened previously Lord Mulgrave's action was, in effect, merely a reminder to Mr. Young that, in taking office, he would assume responsibility for the decision that the law must take its course. The case thus presents no analogy to that now under discussion.

- 6. At the same time, while I consider that you should not have imposed terms on Mr. Earle, I recognize that he was entirely at liberty to decline the duty of forming a Government unless he was left with complete discretion as to the advice to be tendered to you. Instead of doing so, he decided to take office and thus must be held to have accepted for the time being full responsibility for your action. He remained fully responsible until the Ministry determined to advise in the contrary sense, when the policy of dissolution ceased to be authorized by Ministerial advice, but became a matter of your personal opinion, that is to say, no constitutional means existed of giving effect to it without another change of views on the part of Ministers or another change of Ministry.
- 7. I have to request that you will communicate a copy of this despatch to the House of Assembly.

I have, &c.,

L. HARCOURT.

VIII

THE RELATIONS OF THE DOMINIONS TO FOREIGN POWERS

1. THE APPOINTMENT OF A HIGH COMMISSIONER FOR CANADA

(1) Sir Michael Hicks Beach, Bart., to the Marquis of Lorne

DOWNING STREET, November 1, 1879.

MY LORD,

I received from your Ministers, during their recent visit to England, a confidential memorandum, of which I enclose a printed copy, urging the necessity of providing further means for constant and confidential communication between her Majesty's Government and the Government of Canada, and recommending that a representative of the latter Government should be appointed to reside permanently in London, and that he should be granted a quasi-diplomatic position.

2. Her Majesty's Government are very sensible of the advantage which might result from the appointment by the Dominion Government of a gentleman who, residing in this country, would be fully empowered to explain their views on the various important questions connected with Canada, which, from time to time, demand consideration, and which might often be more satis-

factorily, as well as more expeditiously, dealt with, if such means of oral communication were provided. Looking, however, to the position of Canada as an integral portion of the Empire, the relations of such a person with her Majesty's Government would not be correctly defined as being of a diplomatic character, and, while her Majesty's Government would readily accord to him a status in every way worthy of his important functions, his position would necessarily be more analogous to that of an officer in the home service, than to that of a Minister at a foreign court.

- 3. He would therefore primarily communicate with this Department on the various subjects which might be entrusted to him, and, while her Majesty's Government would readily avail themselves of any information he might afford, and give the fullest consideration to any representations he might make on behalf of the Canadian Government, it would, of course, rest with the Secretary of State for Foreign Affairs to determine in each case in what precise capacity his services might best be rendered in the event of any negotiations with a foreign court, on subjects affecting the interests of the Dominion. In some instances, for example, it might be desirable for him to remain in London and advise with her Majesty's Government there, while in other cases he might, in accordance with the precedents which have been quoted, be more usefully engaged in assisting her Majesty's representatives abroad.
- 4. I have deemed it necessary to refer to these details because it is desirable that there should be no misunderstanding as to the precise position

which could be accorded by her Majesty's Government to an officer holding an appointment which the Government of Canada propose to establish, but I do not anticipate that the views which I have expressed will be felt by your Ministers as placing any insuperable difficulty in the way of the practical realization of their wishes; and I would only add that if such an appointment should be decided upon it would seem, for the reasons I have stated, more appropriate that the officer should be designated by the title of 'Dominion' or 'Canadian Commissioner' than by any title implying a diplomatic status or position.

I have, &c. M. E. HICKS BEACH.

ENCLOSURE

Memorandum

The policy of the Empire having devolved upon Canada the administration of the whole of British North America, and the care and protection of British interests therein, experience is daily showing the necessity of providing the means of constant and confidential communication between her Majesty's Government and her local advisers in Canada, in extension of the more formal relations subsisting through the correspondence of the Secretary of State for the Colonies with the Governor-General.

Canada has ceased to occupy the position of an ordinary possession of the Crown. She exists in

the form of a powerful Central Government, having already no less than seven subordinate local executive and legislative systems, soon to be largely augmented by the development of the vast regions lying between Lake Superior and the Rocky Mountains. Her Central Government is becoming even more responsible than the Imperial Government for the maintenance of international relations towards the United States, a subject which will yearly require greater prudence and care, as the populations of the two countries extend along, and mingle across, the vast frontier line, three thousand miles in length.

The Canadian Government has, in short, become the trustee for the Empire at large, of half the continent of North America, and is bound to administer the trust not only for the benefit of the present limited population, but with the intention and policy of making the great resources of the Dominion in the highest measure promotive of the interests of the British people and the

dignity of the Crown.

The organisation, government, and settlement of the vast regions of British North America are all subjects which the Canadian Government must desire to deal with in the common interest of all, while in trade and commerce it is daily becoming more evident that advantage would arise in definitely settling such arrangements between the United Kingdom and her vast dependency as may produce more thorough identity of interest and more uniform policy towards each other, and towards foreign nations.

It appears to the Canadian Government emin-

ently desirable to provide for the fullest and most frank interchange of views with her Majesty's Government, and for the thorough appreciation of the policy of Canada on all points of general interest. Otherwise there appears to be danger of a feeling growing up of indifference, if not of actual antagonism and irritation on both sides. The idea must be avoided that the connexion of Canada with the British Empire is only temporary and unabiding, instead of being designed to strengthen and confirm the maintenance of British influence and power.

It is now being found in practice that there are constantly questions arising, connected with the administration of affairs in Canada, requiring discussions in a mode and to an extent wholly impracticable by the ordinary channel of correspondence, through the Governor-General; and periodical visits have to be made to London for this purpose by the important members of the Canadian Government, entailing serious inconvenience. At this moment the following subjects are thus under consideration: The Pacific Railway, and important collateral subjects: Treaties of Commerce with France and Spain; Esquimault Graving Dock; Military Defence of Canada generally, and of British Columbia more especially; while the fishery and commercial clauses of the Washington Treaty may, at any moment, be reopened by the United States; with many other matters of importance connected with the better organization of the military force of the Dominion.

It is manifestly impossible that the views of the Canadian Government on such subjects can be

submitted for the intelligent consideration of her Majesty's Government in any other mode than that of personal communication; and, as the subjects themselves relate to different departments of administration, the necessity arises for the absence from their posts at this moment of not less than three Ministers.

It is further submitted that the very large and rapidly augmenting commerce of Canada, and the increasing extent of her trade with foreign nations, is proving the absolute need of direct negotiations with them for the proper protection of her interests. In most of the treaties of commerce entered into by England, reference has only been had to their effect on the United Kingdom; and the Colonies are excluded from their operation, a fact which has been attended with most unfortunate results to Canada, as relates to France. This is, to a certain extent, unavoidable, in consequence of the control of all customs having been granted to Canada; but a necessity has thus arisen for providing separate and distinct trade conventions with all foreign Powers with whom Canada has distinct trade. With the different views held by the Parliament of Canada on such subjects, from those of her Majesty's Government, there is a manifest difficulty in asking the latter to become responsible for the representations required to be made, and foreign Governments find it difficult to understand our present system. The Canadian Government therefore submit that, when occasion requires such negotiations to be undertaken, her Majesty's Government should advise her Majesty specially to accredit the representative of Canada to the foreign Court, by association for the special object with the resident

Minister or other Imperial negotiator.

The suggestion is merely asking her Majesty's Government to establish as a rule the precedent which was created in 1871, when Sir John A. Macdonald was made a member of the Joint High Commission to Washington, and later, in 1874, when Mr. George Brown was officially associated with Sir Edward Thorrton, at the instance of the Canadian Government, for the purpose of negotiating a Treaty of Commerce between Canada and the United States.

With the view of giving effect to the foregoing policy, the Government of Canada suggests that her Majesty's Government should consent to receive an official representative from Canada for the purpose of securing the most early and confidential communication of their views on all subjects; and that, when so requested, the proposed Minister should be duly accredited to foreign Courts in the manner above mentioned.

The Canadian Government desires to surround the proposed appointment with all the importance which should attach to an official charged with such high duties. He should, therefore, be selected from the Queen's Privy Council for Canada, and specially entrusted with the general supervision of all the political, material, and financial interests of Canada in England, subject to instructions from his Government.

The dignity of the office, and the advantage of its proper recognition, especially at foreign Courts, appear to require a more expressive title

than that of Agent-General; it is therefore suggested that the designation should be Resident Minister, or such other name of equal import as her Majesty's Government may suggest.

The Canadian Government attaches great importance to this matter, and hopes that her Majesty's Government will see no insuperable difficulty in giving the Canadian Representative a quasi-diplomatic position at the Court of St. James, with the social advantages of such a rank and position.

> JOHN A. MACDONALD. S. L. TILLEY. CHARLES TUPPER.

(2) The Marquis of Lorne to the Right Honourable Sir M. E. Hicks Beach, Bart.

> GOVERNMENT HOUSE, OTTAWA, December 24, 1879.

SIR. .

I have the honour to transmit herewith, for your consideration, a copy of an approved report of a Committee of the Privy Council respecting the appointment of a Canadian Representative to reside in England, to be styled 'High Commissioner of Canada,' to confer with her Majesty's Government on all important matters affecting the Dominion, which formed the subject of your despatch of the 1st November last.

I have, &c.,

ENCLOSURE

Copy of a Report of a Committee of the Honourable the Privy Council for Canada, approved by his Excellency the Governor-General, on the 22nd December, 1879.

The Committee of Council have had under consideration the despatch from the Right Honourable the Secretary of State for the Colonies, dated 1st November last, upon the confidential memorandum of Sir John Macdonald, Sir Leonard Tilley, and Sir Charles Tupper, urging the necessity of providing further means for constant and confidential communication with her Majesty's Government, and also for the representation of Canada in the future negotiation of treaties of commerce with foreign nations.

The Committee desire to express their gratification at the manner in which their views have been met by her Majesty's Government, and they share in the conviction of Sir Michael Hicks Beach, that no insuperable difficulty exists in the realization of their wishes.

The Committee recognize the fact that Canada cannot, as an integral portion of the Empire, maintain relations of a strictly diplomatic character. But they respectfully submit that, while this is true as regards foreign nations, it does not accurately represent the actual state of facts in regard to the United Kingdom. Her Majesty's Government is unquestionably the supreme governing power of the Empire, but, under the

British North America Act, self-governing powers have been conferred upon Canada in many most important respects, and her Majesty's Government may on these points be more correctly defined as representing the United Kingdom than the Empire at large. In considering many questions of the highest importance, such as the commercial and fiscal policy of the Dominion as-affecting the United Kingdom, the promotion of Imperial interests in the administration and settlement of the interior of the Continent, and on many other subjects, indeed on all matters of internal concern, the Imperial Government and Parliament have so far transferred to Canada an independent control that their discussion and settlement have become subjects for mutual assent and concert, and thereby have, it is thought, assumed a quasidiplomatic character as between her Majesty's Government representing the United Kingdom per se and the Dominion, without in any manner derogating from their general authority as rulers of the entire Empire.

The Committee would further respectfully submit, in elucidation of the views contained in the memorandum, that the Government of Canada, in respect of negotiations with foreign Powers, in no respect desire to be placed in the position of independent negotiators. On the contrary, they are fully convinced that it is through the influence and support of her Majesty's Government, and by the effective use of their carefully trained and thorough diplomatic service, that they can alone look for any measure of success. And it is with the view most thoroughly to satisfy foreign

Governments of the identity of interests of her Majesty with themselves that they have so strongly sought the most official recognition possible for their representative. And in making their suggestion on this point, the Committee have had in mind the position assigned to the delegates from Canada in 1865 and 1866, which was that of belonging to the diplomatic corps, taking precedence after the foreign Ministers.

As the representative of the Governor-General and Executive Government of Canada, and especially when dealing with negotiations with any foreign Powers, the duties of the proposed officer will, the Committee consider, be of a nature more analogous to diplomatic than to home service, but they confidently leave this subject in the hands of her Majesty's Government, resting on the assurances conveyed in the despatch under consideration that her Majesty's Government will accord to their representative a status in every way worthy of his important functions.

The officer will certainly primarily communicate with the Secretary of State for the Colonies on the various subjects on which he may receive instructions to address her Majesty's Government, and the Committee do not doubt that every consideration will be given to such representations as he may make on behalf of the Canadian Government.

The Committee entirely agree that it will rest with the Secretary of State for Foreign Affairs to determine in each case in what precise capacity the services of the Canadian Officer can be best rendered in the event of negotiations with foreign

Courts on subjects affecting the interests of the Dominion. Manifestly it would not be the desire of the Canadian Government, that in every case their representative should be personally associated with the British Minister at the foreign Courts, but only in such cases as might from their importance require it. On this point the Committee are fully assured that the Secretary of State for Foreign Affairs will meet their reasonable wishes as has been done in the cases cited.

The Committee understand, however, that in all cases of commercial treaties her Majesty's Government will direct early communication to be made to the Canadian representative so as to permit him to take the instructions of his Government, and to make such representations as may be called for to her Majesty's Government.

With reference to the designation of the proposed officer the Committee desire to accept the suggestion of her Majesty's Government. As, however, Commissioners are very frequently appointed for special services of minor importance, it is considered desirable to make the appointment to London distinctive by styling the officer 'High Commissioner of Canada in London,' the Committee on this point being convinced that in reference especially to foreign Governments the designation and status are of real importance.

It is intended to create the office under statute at the next Session of the Canadian Parliament; but, should the public service require an earlier appointment, the Committee confidently rely on

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her Majesty's Government giving immediate effect to the views expressed in the despatch from the Secretary of State for the Colonies, which, it is believed, are correctly understood by the Canadian Government.

- 2. THE NEGOTIATION OF SEPARATE COM-MERCIAL TREATIES FOR THE DO-MINIONS
- (1) The Marquis of Ripon to the Governor-General of Canada, the Governors of the Australasian Colonies (except Western Australia), and the Governor of the Cape

DOWNING STREET, June 28, 1895.

SIR,

In my despatch of even date, I communicated to you an expression of the views of her Majesty's Government on the Resolutions passed by the Colonial Conference at Ottawa in regard to the trade relations of the Empire.

2. In the course of the discussions there, a question, of considerable importance was more than once alluded to, namely, the question of commercial agreements between her Majesty's Government and foreign Powers in regard to their trade with the Colonies.

Such Conventions have already been made on more than one occasion in regard to the trade of her Majesty's Dominions in North America with the United States of America, and recently with the Government of France in regard to the trade between that country and Canada; and the Cape Colony has also entered into a Customs Union with the neighbouring Independent Republic, the Orange Free State.

- 3. Although the area within which such agreements are possible is now but limited, owing to the network of commercial Treaties by which the nations are bound together, there are still some Powers, such as France, with which agreements of the kind could be made, either because no commercial treaty exists between them and this country, or because some of the Colonies have not adhered to the existing Treaty. It appears desirable, now that the same liberty of tariff legislation has been accorded to the Australian Colonies as has been enjoyed by Canada, the Cape Colony, and New Zealand, and that the Colonies generally are considering the question of extending and increasing their external commerce, that the views of her Majesty's Government on this question should be generally known.
- 4. In the first instance, it is advisable that the international position of such agreements and the procedure to be followed in regard to them should be made clear, and in this connexion I desire to quote from the able speech delivered by Sir Henry Wrixon at the meeting of the Conference on the 10th of June.

5. Referring to this question, he said:

I do not know that I have ever thoroughly understood the position which the Imperial Government takes with regard to the power which they have already allowed to Canada and the Cape, because we all know that nations can only know one another through the supreme head. Each nation is an entity as regards any other nation, and I have no knowledge of how you could recognize a part of an Empire making

arrangements for itself. If you look at the thing in the last resort, supposing conflicts arose, or cause of war, the foreign Power that had cause to complain of the breach of a commercial treaty must naturally look to the head of an Empire, and they could not be put off by telling them to look for satisfaction to the dependency. If any foreign Power made an arrangement with the Cape, and had cause to complain, and wanted to enforce any proviso, they must go to the Empire of Great Britain; and, therefore, as far as I can understand it, I am quite against any attempt to recognize the right of a dependency of the Empire to act on its own behalf. Everything must be done through the head of the Empire when we are dealing with foreign nations. One nation is one individual. and it can only deal with other nations on that basis; therefore I deliberately excluded any reference in my motion to that subject, and I may only add that I think it is quite unnecessary to refer to it, because we can have no doubt that the Imperial Government will extend the same consideration to all the dependencies of the Empire that it has already extended to Canada and the Cape, if in any case any dependency of the Empire shows that it has good ground for entering into a commercial treaty outside. I have not the slightest doubt that the Imperial Government would do for other dependencies what it has already done for the premier dependency of Canada and the Cape.

Hon. Mr. Fitzgerald: Do you wish it done by legislation?

Sir Henry Wrixon: No. I do not understand how it can be done, because I have no idea of a nation as anything else than one complete unity with regard to an outside nation, and I cannot understand a dependency of the Empire arranging with an outside Power; and I presume, where the Imperial Government has allowed Canada and the Cape to make arrangements, the Imperial Government itself has contracted and would be prepared to vindicate the conduct of the dependency in the last resort. I understand that when occasion arises the dependency informs the Imperial Government of its desire to enter into

certain arrangements. The Imperial Government authorizes its Minister at the Court of the Power which is to be treated with to carry on that negotiation, and then, technically, it is the Empire which makes the Treaty. In our country some claimed more than this right. I repudiated any such position. I think it is not consistent with the unity of the Empire, and I added to that a reason why it was unnecessary—namely, because the Imperial Government will do for us what they have done for Canada and the Cape, and will help us to make a Treaty if we want to make a Treaty with any foreign Power.

6. This speech not only indicates the procedure to be followed in the case of such arrangements, but clearly explains the reasons for it. A foreign Power can only be approached through her Majesty's Representative, and any agreement entered into with it, affecting any part of her Majesty's dominions, is an agreement between her Majesty and the Sovereign of the foreign State, and it is to her Majesty's Government that the foreign State would apply in case of any question arising under it.

7. To give the Colonies the power of negotiating treaties for themselves without reference to her Majesty's Government would be to give them an international status as separate and sovereign States, and would be equivalent to breaking up the Empire into a number of independent States, a result which her Majesty's Government are satisfied would be injurious equally to the Colonies and to the Mother Country, and would be desired

by neither.

The negotiation, then, being between her Majesty and the Sovereign of the foreign State, must be conducted by her Majesty's Representa-

tive at the Court of the foreign Power, who would keep her Majesty's Government informed of the progress of the discussion, and seek instructions from them as necessity arose.

It could hardly be expected, however, that he would be sufficiently cognisant of the circumstances and wishes of the Colony to enable him to conduct the negotiation satisfactorily alone, and it would be desirable generally, therefore, that he should have the assistance, either as a second Plenipotentiary or in a subordinate capacity, as her Majesty's Government think the circumstances require, of a delegate appointed by the Colonial Government.

If, as a result of the negotiations, any arrangement is arrived at, it must be approved by her Majesty's Government and by the colonial Government, and also by the Colonial Legislature if it involves legislative action, before the ratifications can be exchanged.

8. The same considerations which dictate the procedure to be followed have also dictated the conditions under which, though never distinctly formulated, her Majesty's Government have hitherto conducted such negotiations, and as to the propriety of which they are confident that no question can be raised.

9. These considerations are: the strict observance of existing international obligations, and the preservation of the unity of the Empire. The question, then, to be dealt with is how far these considerations necessarily limit the scope and application of any commercial arrangement dealing with the trade between one of her Majesty's

Colonies and a foreign Power, both in respect of the concessions which may be offered by the Colony and the concessions which it seeks in return.

10. It is obvious that a Colony could not offer a foreign Power tariff concessions which were not at the same time to be extended to all other Powers entitled by Treaty to most-favourednation treatment in the Colony. In the Constitution Acts of some Colonies such a course is specifically prohibited, but, even where that is not the case, it is obvious that her Majesty could not properly enter into any engagements with a foreign Power inconsistent with her obligations to other Powers, and before any Convention or Treaty can be ratified, therefore, her Majesty's Government must be satisfied that it fulfils this condition, and also that any legislation for giving effect to it makes full provision for enabling her Majesty to fulfil her obligations, both to the Power immediately concerned, and to any other Powers whose rights under Treaty may be affected. To do otherwise would be a breach of public faith to which her Majesty's Government could not lend themselves in any way.

Further, her Majesty's Government regard it as essential that any tariff concessions proposed to be conceded by a Colony to a foreign Power should be extended to this country and to the rest of her Majesty's dominions.

As I have already pointed out, there are but few nations with which her Majesty's Government have not Treaties containing most-favourednation clauses, and to most of these Treaties all or some of the Responsible Government Colonies

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have adhered. Any tariff advantages granted by a Colony, therefore, to a foreign Power would have to be extended to all Powers entitled by Treaty to most-favoured-nation treatment in the Colony, and her Majesty's Government presume that no Colony would wish to afford to, practically, all foreign nations better treatment than it accorded to the rest of the Empire of which it forms a part.

11. This point has already arisen in connexion with negotiations on behalf of Colonies with foreign When informal discussions with a view to a commercial arrangement between the United States of America and Canada took place in 1892. the delegates of the Dominion Government refused the demand of the United States that Canada should discriminate against the produce and manufactures of the United Kingdom, and the negotiations were broken off on this point. Similarly, when Newfoundland, in 1890, had made preliminary arrangements for a Convention with the United States under which preferential treatment might have been accorded to that Power, her Majesty's Government acknowledged the force of the protest made by Canada, and when the Newfoundland Government proposed to pass legislation to grant the concessions stipulated for by the United States, my predecessor, in a despatch dated the 26th of March, 1892, informed the Dominion Government that they might rest assured 'that her Majesty will not be advised to assent to any legislation discriminating directly against the products of the Dominion.'

12. It must not be forgotten that, as I have pointed out in my other despatch of this date,

whilst the grant of preferential tariff treatment is a friendly act to the country receiving it, it is an unfriendly act to countries or places excluded from it, and her Majesty's Government are satisfied that the bonds which unite the various parts of the Empire together require that every Colony should accord to the rest at least as favourable terms as it grants to any foreign country. If a Colony were to grant preferential treatment to the produce of a foreign country and were to refuse to extend the benefit of that treatment to the Mother Country and the other Colonies, or some of them, such a step could not fail to isolate and alienate that Colony from the rest of the Empire, and attract it politically as well as commercially towards the favoured Power. Her Majesty's Government are convinced that the Colonies will agree that such a result would be fraught with danger to the interests of the Empire as a whole, and that they will also agree that it would be impossible for her Majesty's Government to assent to any such arrangement.

13. In regard to the other side of the question, namely as to the terms which a Colony seeks from a foreign Power, the considerations mentioned appear to require that a Colony should not endeavour in such a negotiation to obtain an advantage at the expense of other parts of her Majesty's dominions. In the case, therefore, of preference being sought by or offered to the Colony in respect of any article in which it competed seriously with other Colonies or with the Mother Country, her Majesty's Government would feel it to be their duty to use every effort to obtain

the extension of the concession to the rest of the Empire, and in any case to ascertain as far as possible whether the other Colonies affected would wish to be made a party to the arrangement. In the event of this being impossible, and of the result to the trade of the excluded portions of the Empire being seriously prejudicial, it would be necessary to consider whether it was desirable, in the common interests, to proceed with the negotiation.

14. Her Majesty's Government recognize, of course, that in the present state of opinion among foreign Powers and many of the Colonies as to differential duties, and in a matter which, to some extent, would affect only a particular Colony, they would not feel justified in objecting to a proposal merely on the ground that it was inconsistent in this respect with the commercial and financial

policy of this country.

But the guardianship of the common interests of the Empire rests with them, and they could not in any way be parties to, or assist in, any arrangements detrimental to these interests as a whole. In the performance of this duty it may sometimes be necessary to require apparent sacrifices on the part of a Colony, but her Majesty's Government are confident that their general policy in regard to matters in which Colonial interests are involved is sufficient to satisfy the Colonies that they will not, without good reason, place difficulties in the way of any arrangements which a Colony may regard as likely to be beneficial to it.

. I have, etc.

(2) Right Hon. Sir E. Grey, Bart., to his Majesty's Chargé d'Affaires at Paris

[A similar despatch was addressed to His Majesty's Ambassador at Rome.]

Foreign Office, July 4, 1907.

SIR,

In my telegram of the 23rd of May I informed you that Sir W. Laurier desired to open negotiations for new commercial conventions with the French Government, and I requested that you would endeavour to assist him in the attainment of his object.

You are doubtless cognisant of the Marquis of Ripon's despatch of June 28th, 1895, to the Governors of the principal British Colonies, in which it was laid down that commercial negotiations of this nature, being between his Majesty and the Sovereign of the foreign State, should be conducted by his Majesty's Representative at the Court of the foreign Power. A copy of this despatch is enclosed herewith.

I do not, however, think it necessary to adhere in the present case to the strict letter of this regulation, the object of which was to secure that negotiations should not be entered into and carried through by a Colony unknown to and independently of his Majesty's Government.

The selection of the negotiator is principally a matter of convenience, and, in the present circumstances, it will obviously be more practical that the negotiations should be left to Sir W. Laurier

and to the Canadian Minister of Finance, who will doubtless keep you informed of their progress.

If the negotiations are brought to a conclusion at Paris, you should sign the Agreement jointly with the Canadian negotiator, who would be given full powers for the purpose.

I am, &c., E. Grey.

¹ The treaty of September 19, 1907, was signed by Sir F. L. Bertie, His Majesty's Ambassador at Paris, and the Canadian Ministers, the Hon. W. S. Fielding and L. P. Brodeur.

3. THE NEWFOUNDLAND FISHERIES DISPUTE

The Earl of Elgin to Sir W. Macgregor

DOWNING STREET, September 19, 1907.

SIR,

His Majesty's Government consider it to be due to your Government, as well as to themselves, to place on record in a more complete form than is possible by the medium of telegrams the reasons which have led to the conclusion of the *modus vivendi* with the United States regarding the Newfoundland fisheries, and to the passing of the Order in Council of the 9th of September, of which your Government was informed in my telegrams of the 7th and 9th instant.

2. As your Ministers are aware, his Majesty's Government and the Government of the United States of America differ fundamentally in their interpretation of the Convention of 1818 regarding the nature and extent of American fishery rights in Newfoundland waters. The details of the controversy are familiar to your Ministers, and may be summed up in the proposition that the United States Government claim that that Treaty confers upon American fishermen a right to fish in the specified waters of Newfoundland free from

the exercise of any control by the Colonial Government, or at most subject only to such regulations and restrictions as were in force in 1818 at the date when the Treaty came into force, while his Majesty's Government contend that there is nothing in the Treaty to derogate from the recognized sovereignty of his Majesty in Newfoundland, and that the American fishermen are subject to all enactments and regulations for the preservation of the fishery which are applicable to the fishermen of Nowfoundland.

- 3. In the case of a fundamental divergence of views between friendly Powers, there are no means of settling the dispute save by diplomacy or arbitration. His Majesty's Government made every effort to obtain a satisfactory solution of the question by the former method, but they cannot disguise from themselves the fact that their efforts to do so were seriously prejudiced by the fact that the United States Government were convinced that the legislation of Newfoundland in 1905 and the Bill of 1906 were designed rather as measures of retaliation than to further the preservation of the common fishery.
- 4. The situation was fully discussed with your Premier on his visit to England in connexion with the Colonial Conference, and Sir R. Bond expressed himself as strongly in favour of a reference to arbitration before the Hague Tribunal. His Majesty's Government were prepared to accept this proposal, and ascertained from the Prime Minister of Canada that, in order to help as far as possible the Newfoundland Government, the Dominion Government would concur in the pro-

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posal, which directly affects Canada, since the fishery off the Magdalen Islands is conducted on the same terms as the Newfoundland fishery.

- 5. His Majesty's Government therefore undertook to approach the Government of the United States of America with a proposal for arbitration, and it was pointed out to Sir R. Bond that, pending the result of communication with that Government and the reference of the whole case to the arbitral tribunal, it would be essential to conclude a modus vivendi for the fishery season of 1907. It was, no doubt, logically open to his Majesty's Government to take up the position that the interpretation which they put on the Treaty was so obviously correct that they were resolved to enforce it upon American vessels regardless of the consequences. His Majesty's Government considered, however, that in a case of this kind a reference to arbitration was the proper course to take in dealing with a friendly Power, and it would not have been consistent with such an attitude on their part to insist, pending arbitration, that the United States Government should submit to conditions which would, in the opinion of that Government, have in practice made the rights of American fishermen under the Treaty worthless for the ensuing season.
- 6. Before Sir R. Bond left England a modus vivendi was drafted for submission to the Government of the United States, the terms of which were communicated to your Premier. By that proposal the United States Government was asked to abandon on behalf of their fishermen the claim to use purse seines, to fish on Sundays, and to

employ Newfoundland fishermen. In return their vessels were to be exempt from light dues to the same extent as vessels registered in Newfoundland, and while they were to call at Customs Houses whenever physically possible, the duty was not to be imposed as of legal right. While ready to urge the acceptance of these proposals on the United States Government, his Majesty's Government recognized that they were hardly likely to meet with the approval of that Government, and your Premier was expressly warned that further concessions would be in all probability required.

7. As a matter of fact the United States Government declined to acquiesce in the proposed modus vivendi on the ground that to accept it would be to concede all the vital points in dispute. Your Government was informed of this in my telegram of the 23rd of July, the text of which—as there has been dispute as to its exact significance—I

append in full.

States Ambassador to our note of the 20th June, which was shown to your Prime Minister, and a copy of which was privately sent you on the 21st June. The effect of the note is that the United States Government cannot give their acquiescence to the present proposals of his Majesty's Government, which they feel would be tantamount to yielding all vital questions in dispute. In their opinion the surrender of the right to hire local fishermen, and the surrender at the same time of the use of purse seines and of fishing on Sunday would render their treaty rights worth-

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less. We are, therefore, face to face with a reference of pending questions to arbitration, and an ad interim renewal of the modus vivendi. The United States Ambassador has proposed arbitration before the Hague Tribunal, and suggests that a conclusion to the proceedings will be reached in so short a time that last year's modus vivendi can be continued without causing any real hardship to the Colony. If, however, we refused to renew the agreement as to the employment of Newfoundland fishermen, they would be compelled to insist on the use of purse seines. To give up both points they would consider equivalent to abandoning altogether their treaty rights.

'From the proceedings at the Conference, and also from the correspondence which took place with me, his Majesty's Government are aware that Sir R. Bond is desirous to have all the outstanding questions settled by arbitration before the Hague Tribunal, and the United States Government are being so informed, and a communication will be addressed to you on procedure relating to that subject, but I shall be glad, in the meantime, of the observations of your Prime Minister upon the continuance of last year's modus vivendi, especially whether he attaches more importance to the prohibition of the employment of Newfoundland fishermen or to that of the use of purse seines. Telegraph reply.'

It was the intention of this telegram—and on careful perusal of its terms I confess I think the intention was clearly expressed—to convey to your Ministers the fact that in the opinion of his Majesty's Government it was imperative to con-

clude some modus vivendi with the United States Government for the season of 1907, and to invite their opinion as to the terms of that modus vivendi in regard to the points to which the United States Government took exception—the prohibition of the employment of Newfoundland fishermen and of the use of purse seines.

8. The reply of your Ministers to this telegram was forwarded in your telegram of the 2nd of August, and was to the effect that your Ministers declined to recognize the necessity for any modus vivendi, and did not consider that they should be called upon to decide, as suggested in my telegram of the 23rd of July, upon the relative importance of prohibition of the use of purse seines and prohibition of the employment of Newfoundland fishermen. They suggested, however, that it would be possible for his Majesty's Government to abrogate the 1818 Treaty-a suggestion which it is difficult to believe can have been meant seriously, and that it would be sufficient if the Fishery Regulations were communicated to the Government of the United States in order that exception might be taken to such as seemed objectionable and the Regulations be amended if necessary before the fishery season began.

9. In my telegram of the 10th of August, I pointed out that the time before the opening of the fishery season at the beginning of October was much too short to allow of any decision of the Hague Tribunal being received, and your Ministers no doubt recognize that as the whole question at issue is the validity of the Regulations in ques-

tion, nothing could have been effected by a mere examination and discussion of the Regulations between the two Governments in the six or seven weeks before the opening of the fishery. I therefore stated that his Majesty's Government had proposed a modus vivendi for 1907 on the lines of that for 1906, but excluding the right of using purse seines, and I enquired in my subsequent telegram of the 16th of August whether his Majesty's Government could rely on the co-operation of your Government in carrying out the modus vivendi.

10. I may explain that in deciding on the terms of the modus vivendi his Majesty's Government were seriously hampered by being left in ignorance of the comparative importance attached by your Government to the question of the use of purse seines and the employment of Newfoundland fishermen. Sir R. Bond during the discustion in England took exception in the strongest terms to concession on either point, but, in deciding that the use of purse seines should be prohibited, his Majesty's Government were in uenced mainly by two considerations. In the first place, while there is no doubt that the use of purse seines in the narrow bays of Newfoundland is attended by serious difficulties, it is equally clear that if deprived of the help of Newfoundland fishermen the American vessels would be forced either to return empty or to attempt to use purse seines. The effort to do so would almost inevitably have led to disputes between the American and Newfoundland fishermen, either party seeing that their means of livelihood were threatened by the

action of the other, with the result that disturbances such as those at Fortune Bay in 1878, which cost her Majesty's Government in compensation to the United States fishermen over £11,000 in addition to the sums actually refunded by the Newfoundland Government, might have broken out, embittering the feeling between the two Governments, and endangering the success of the proposed arbitration. In the second place, the use of purse seines is definitely forbidden by the law of Newfoundland, and to sanction their employment would be deliberately to override an enactment of the Colonial Legislature. But the employment of fishermen is in a different category. Whatever penalties the fishermen may expose themselves to-and on this matter I express no opinion, as the case is still sub judice—there appears to be nothing in the law of Newfoundland which authorizes the infliction of a penalty on American vessels employing these men. To permit the hiring of Newfoundland fishermen therefore involved no breach, as far as his Majesty's Government were aware, of the law of the Colony. If. however, his Majesty's Government are wrong in the concession which they have made to the Government of the United States, it must be borne in mind that your Ministers, when consulted, refused to give advice on the subject. even under protest.

11. Even in your telegram of the 14th of August, no reference was made to this point. Your Ministers confined themselves to protesting against the conclusion of a modus vivendi without submission of its terms to, and approval by, them,

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and they stated that, had this step been taken, they would, in view of the assurance that the questions at issue would be submitted to arbitration, and the fact that Imperial interests of great importance were involved, have readily adopted measures to render unnecessary any action by his Majesty's Government.

- 12. In my reply of the 16th of August, I pointed out that in my telegram of the 23rd July, I had intimated that a modus vivendi must be concluded, and had expressly invited your Minister's views as to its terms, and that your Ministers were therefore wrong in considering that they had in any way been ignored. I accordingly invited their co-operation in carrying out the modus vivendi. and suggested either that they should undertake not to enforce so much of the Colonial laws as conflicted with the terms of the modus vivendi. or that they should pass legislation to give statutory sanction to the modus vivendi until the decision of the Hague Tribunal was secured, thus maintaining to the full the authority of the Colonial Government. I added that I had received the assent of the Dominion Government to arbitration, and that pending the settlement of the dispute by arbitration, his Majesty's Government greatly deprecated even the appearance of differences between them and the Government of Newfoundland as to Colonial rights.
- 13. Your Ministers' reply conveyed in your telegram of the 20th of August declined to accept the *modus vivendi*, but, for the first time, put forward an alternative suggestion such as might be proposed to the American Government. As

explained by your telegram of the 22nd of August. their suggestion was that, the modus vivendi being withdrawn, the Colonial Government should permit American fishermen to purchase fish from Newfoundlanders at two dollars a barrel, which was 75 cents a barrel more than the market price in 1906, but which was no doubt a fair price in 1907. His Majesty's Government lost no time in putting the proposal before the American Government, but the United States Ambassador replied that his Government regretted that they could not accept the offer, since the fishing fleet had already sailed. Your Ministers were so informed in my telegram of 30th August, and I again invited them to co-operate in carrying out the proposed modus vivendi, which was then inevitable in view of the necessity of some arrangement being made before fishing began.

14. To the great regret of his Majesty's Government your Ministers declined to accept their invitation, and merely reiterated, in your telegrams of the 1st and 4th of September, their readiness to permit the Americans to purchase fish if the proposed modus vivendi were withdrawn. They declined absolutely to allow the employment of Newfoundland fishermen by United States vessels, and his Majesty's Government had no option, since the American vessels had already started, and some arrangement was imperative, but to conclude on the 6th of September the modus, vivendi formally suggested by the United States Ambassador on the 4th of September. But in doing so, they were able to secure a most valuable concession for your Government, for

the United States Ambassador consented to add to his note an undertaking that his Government would be ready to give the most favourable consideration to any arrangement made locally between your Government and the American fishermen in modification or supersession of the modus vivendi. It is therefore open to your Ministers to adopt an arrangement similar to the proposal made in your telegram of the 20th of August, which they stated would be readily accepted by the American fishermen.

15. Having concluded the modus vivendi, his Maiestv's Government were under an obligation to take the necessary steps to carry out its provisions. As your Ministers are aware, this was done last year, partly by the action of the Naval Officer commanding on the Newfoundland Station, and partly through the forbearance of your Ministers to press any proceedings against the Newfoundland fishermen employed by the American vessels. But such a state of affairs could not be expected to be repeated in the season of 1907, and your Ministers had definitely refused to undertake not to apply the Colonial laws to American vessels. If, then, his Majesty's Naval Officers had taken steps to enforce the modus vivendi by preventing, say, the arrest of a Newfoundland fisherman on an American vessel by an officer of your Government, his action would have been illegal, and would have exposed him to a suit in which he might have been condemned in heavy damages, which must have been paid by his Majesty's Government. His Majesty's Government were not inclined to give an opening

for such complications, and they felt that it would be a deplorable incentive to lawlessness if a collision were to take place between the officers of his Maiesty in his Imperial and Colonial Governments. They therefore decided that recourse should be had to the powers conferred on his Majesty in Council by Section 1 of the Imperial Act 59 G. III., c. 38, which enables his Majesty by Order in Council to issue from time to time directions for securing to the United States fishermen the rights granted them by the Treaty of 1818. This order is, however, restricted to the bare minimum necessary to secure the uninterrupted exercise by the American fishermen of their treaty right pending the decision of the Hague Tribunal as to the precise extent of that right. It does not purport to authorize Newfoundland fishermen to fish for American vessels if the result of the pending litigation should establish that to do so is illegal; it merely enacts that process against such fishermen shall not be served on American vessels, nor shall such vessels or their tackle be liable to seizure. His Majesty's Government sympathize indeed—as do Ministers-with the hardships at present entailed on the fishermen of Newfoundland, but, while they claim for themselves the right to act in Imperial interests of the gravest moment, they do not assert any right to regulate the relations between the Government of Newfoundland and any section, however numerous, of the people of the Colony. They have, therefore, instructed the Senior Naval Officer on the Station to cooperate in every possible way with your Government in carrying out the law of the Colony as modified by the Order in Council and in endeavouring to effect an arrangement with the American fishermen satisfactory to your Government in

supersession of the modus vivendi.

16. I am, however, constrained to add that his Majesty's Government cannot but feel that in this important question they have not received all the assistance which they were entitled to expect at the hands of your Ministers. leagues and myself are not responsible for, and did not create, the burdensome treaty obligations which bear so heavily on Newfoundland; and the practical sympathy of this country with the Colony was shown in 1904, when the late Government, with the full approval of every section of the community, made considerable sacrifices, not merely of money but of British territory, in order to relieve Newfoundland from the most onerous of the French treaty rights. But whatever charges may be brought against the policy which, in 1818, conceded the American treaty rights of fishery, nevertheless those rights remain binding, and have been continuously exercised for nearly ninety years. Circumstances have hitherto prevented any serious difficulty arising in this connexion, so far as Newfoundland has been concerned, but, since their extent has been questioned, it is the duty of the Imperial and Colonial Governments to co-operate with each other in effecting a satisfactory settlement. I do not think that your Ministers can deny that his Majesty's Government have given the fullest consideration to your Premier's views as expressed both when in London

and since his return to Newfoundland, and on reflection they will probably admit that the extent to which concession to the United States Government is desirable and right is a matter in which. in case of difference, some consideration must be shown for the view of his Majesty's Government. who are trustees of the interests of the whole Empire as well as of Newfoundland. Considering that the Government of Canada-which has at present a satisfactory working arrangement as to treaty rights with the United States—has shown its sense of the necessity of unity of action in foreign affairs by associating itself with Newfoundland in reference to arbitration of the interpretation of the Treaty of 1818, his Majesty's Government cannot but feel that some consideration might have been accorded by your Ministers to their appeals for co-operation in arranging what is, after all, merely a temporary modus vivendi pending the settlement of the main issues by arbitration. They trust, therefore, that your Ministers may yet decide to work in harmony with the Imperial Government, in which case his Majesty will at once be advised to revoke the Order in Council of the 9th of September, and both Governments will be able to devote themselves to the important task of preparing the case of the Colonial Government for the consideration of the Hague Tribunal.

17. Your telegram of the 11th of September reports that your Ministers request that time may be given to them for consideration of the situation created by the issue of the Order in Council, and that in the meantime the publication

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of the Order in Council may be held over. I gladly comply with this request-though strictly speaking it is proper that an Order in Council should receive immediate publicity—as I am anxious now and always to show every courtesy and consideration to the wishes of the Colonial Government. But it must clearly be understood that you are instructed to publish the Order in Council immediately on the arrival of the American fishermen, unless before that date your Government have given their adherence to the modus vivendi, and have undertaken to carry it fully into effect. The American fishermen are entitled, as soon as they arrive in Newfoundland waters, to the protection of the modus vivendi, and his Majesty's Government cannot risk the possibility of having the validity of an Order of his Majesty in Council questioned on the ground that it had not been made known to the subordinate officers of your Government.1

I have, &c., Elgin.

¹ In the following year the Government of Newfoundland agreed to co-operate with the Imperial Government, and the Order in Council was then revoked.

4. THE PARTICIPATION OF THE DO-MINIONS IN FUTURE HAGUE CON-VENTIONS

RIGHT HON. SIR EDWARD GREY'S SPEECH AT THE IMPERIAL CONFERENCE, 1911

SIR EDWARD GREY: Now, as to the point of consultation, I think you will have gathered, from what I have already said, that the Declaration of London arises out of the last Hague Conference. It was a subsidiary consequence of the last Hague Conference. I see I am reported to have said in one answer that it was not practicable to consult. I have forgotten the exact context of the answer, but no doubt I used those words.

Mr. Batchelor: It was a newspaper report. I

did not look up Hansard.

Sir Edward Grey: Yes, I have a recollection of using those words; but as a matter of fact it was very difficult, or it would have been very difficult, after the Dominions had not been consulted about the Hague Conference and the Prize Court Convention, to bring them in suddenly with regard to the Declaration of London. Once the whole thing had been launched, and when there was no arrangement in existence for consultation with the Dominions, it would have been

exceedingly difficult—perhaps 'not practicable' is too strong a word, but difficult and exceedingly inconvenient—suddenly to set up a consultation with regard to the Declaration of London, when there had been none with regard to the Hague Conference. I would take even a larger point than Mr. Fisher took, though I rather understood him to imply it. The point should be not why were not the Dominions not consulted about the Declaration of London, but why were not they consulted with regard to the Hague Conference. If they had been consulted with regard to the programme of the Hague Conference it would follow as a matter of course that they would have been consulted with regard to the Declaration of London. I do not know that I can give any answer to that point except they were not consulted about the Hague Conference which took place before that—a still earlier one. I agree. and the Government agrees entirely, that the Dominions ought to be consulted, and that they ought to be consulted before the next Hague Conference takes place about the whole programme of that next Conference, and then, of course, they would be consulted automatically with regard to everything that arises out of it.

Mr. Fisher: I only wish to convey to this Conference and to the Government that we desire, as far as it is practicable to do so, not only to be consulted after things are done, but to be consulted while you have ideas in your minds and before you begin to carry them out and commit us to them. As regards this other point, we are only responsible for what we do here, and as it is

necessary to begin at some point I shall be very glad if the Government are ready to begin now.

Sir Edward Grey: I think what I am going to say will show that the Government not only thoroughly understand the scope of Mr. Fisher's point, but also, in practice, could meet it. The procedure with regard to the next Hague Conference will, I presume, be the same as it was with regard to the last. There is, first of all, an international programme drawn up. That is the first thing. When that programme is drawn up it is received by the Government here, and it will be circulated to the Dominion Governments. It is drawn up some time in advance. What we do here ourselves is to have an inter-departmental conference which considers that programme, and considers what instructions should be given to the British delegates who are going to the Hague Conference, as to the line they should take on the different points. I think, obviously, the time for consultation to begin is when that inter-departmental conference, as we have called it hitherto. takes place, and that the Dominions should, in whatever way they found most convenient, which would be made known through Mr. Harcourt, or the Secretary of State for the Colonies, be represented at that inter-departmental conference and so be present and be a party to drawing up the instructions which are to be given to the delegates at the Hague Conference. Then, of course, the delegates go to the Hague Conference to carry out the instructions. The Dominion Governments will then be parties to the instructions, but they, like the Government here, of course, have to leave

considerable latitude to the delegates to carry out those instructions at the Conference. The delegates will carry out those instructions, but no doubt from time to time while the Conference is proceeding points arise, which have to be answered by telegraph sometimes, and I think then it would be impossible to have consultation on every point that arises, because there is no time, owing to the necessities of the case. As a matter of fact, during the last Hague Conference, theoretically the whole Cabinet ought to have been consulted here on points as they arose, but there was no time. Parliament is not always sitting, the Cabinet is separated, and some individual Minister here, unfortunately the Secretary of State for Foreign Affairs generally, has to take the responsibility of dealing with points which arise from moment to moment.

Mr. Fisher: And then blame the Prime Minister. The President: As a matter of fact, the Prime Minister can generally be communicated with, but you cannot assemble the Cabinet.

Sir Edward Grey: Just in the same way as one individual Minister sometimes has to act and take responsibility without consulting the Cabinet, and the Prime Minister has to act without consulting the Cabinet on some things from the nature of the case when there is not time, so the Home Government, when the Conference is going on, would have to deal with the points without being able to consult the Dominions, simply because it is not physically possible to do so. Then there will be Conventions signed at the Hague Conference, and a considerable interval for ratifica-

tion. Those Conventions will be circulated to the Dominion Governments, and they will have an opportunity of signifying whether they are satisfied with those Conventions or not. If they are not satisfied, and if those Conventions are not ratified, and if the matter is really of great importance, we must have, of course, something in the nature of a conference here, to which the Dominions who found themselves specially interested could name their own representative and send him to thresh the matter out, and the final decision, whatever it was, would be come to, I hope unanimously; but anyhow, whatever the decision come to was, it would be after considerable consultation and there could be no complaint again in future that there had not been consultation between the Dominions and the Home Government.

It is possible that some Convention by the Hague Conference may be signed, which the Home Government may approve of, and which one of the Dominions may object to, and another may strongly approve of, and so forth, so we cannot be sure of unanimity; but we can be sure of consultation, and it is the intention of the Government in future—and I have described the process gone through in order to make it clear—not only to have consultation, but to make that consultation really a practical thing, which, as regards the proceedings of the Hague Conferences, and so forth, will be, and can be, carried out. . . . Mr. Fisher: Do I understand you to limit this

Mr. Fisher: Do I understand you to limit this to matters which may be referred to the Hague Conference? We wanted to go into other departments of your work.

Sir Edward Grey: You mean into treaties generally.

Mr. Fisher: Yes.

Sir Edward Grey: I do not intend to limit it to that. There are some cases of treaties where it is exceedingly difficult, owing to time, to have any such consultation.

Mr. Fisher: We recognize all that, but I do not wish it to be limited to the Hague Conference.

Sir Edward Grey: I did not in the least mean it to be exclusive.

Mr. Fisher: You only mentioned that one particularly.

Sir Edward Grey: I was taking that as an instance where it is quite easy. There are cases where it is difficult, but in so far as it can be done we would do it. I will give you one instance now where we are engaged in certain negotiations.

Mr. Fisher: I would rather not hear that. It is not restricted in your own mind merely to the Hague Conference?

Sir Edward Grey: Certainly not.

Sir Wilfrid Laurier: In the proposition which was moved by our colleagues from Australia, especially as commented upon by Mr. Fisher, certain principles were laid down which seemed to me to be very far-reaching. If I understand him correctly, the proposition he laid down was that the Dominions should be consulted upon all treaties to be negotiated by his Majesty. There are two sorts of treaties between nations. First of all there are commercial treaties; and secondly there are treaties of amity, which are calculated to prevent causes of war, or to settle afterwards

the effects of war. With regard to commercial treaties, his Majesty's Government has already adopted the practice of never including any of the Dominions beyond the seas except with their consent. That implies consultation prior or afterwards. Liberty is left to us to be included or not included in such a treaty as that, and I think that is very satisfactory.

In Canada, I may say, we have gone further and claimed the liberty of negotiating our own treaties of commerce, and, so far, since the time we applied for this privilege, which was given to us, of course the negotiations have been carried on with the concurrence of the Foreign Office in conjunction with the Ambassador; but at all events our liberty was not restricted at all in that respect.

Coming now to the other class of treaties, which I characterized as treaties of amity, it would seem to me that it would be fettering, in many instances, the Home Government—the Imperial authorities—very seriously, if any of the outside Dominions were to be consulted as to what they should do on a particular question. In many cases the nature of the treaty would be such that it would only interest one of the Dominions. If it interested them all the Imperial authorities would find themselves seriously embarrassed if they were to receive the advice of Australia in one way, the advice of New Zealand in another way, and the advice of Canada, perhaps, in a third way. Negotiations have to be carried on by certain diplomatic methods, and it is, I think, not always safe for the party negotiating to at once put all

his cards on the table and let his opponent know exactly what he is after.

I noticed particularly what was said by Mr. Fisher a moment ago, that the British Empire is a family of nations, which is perfectly true; but it must be recognized that in that family of nations by far the greater burden has to be carried on the shoulders of the Government of the United Kingdom. The diplomatic part of the Government of the Empire has of necessity to be carried on by the Government of the United Kingdom, and, that being so, I think it would be too much to say that in all circumstances the Dominions beyond the seas are to be consulted as far as the diplomatic negotiations are concerned. That is what I understood Mr. Fisher to desire.

Mr. Fisher: My last point was that it should

be done whenever possible.

Sir Wilfrid Laurier: I have no doubt that, wherever possible, the Government of the United Kingdom will do its duty.

Mr. Fisher: And primarily when our interests

were involved.

IX THE UNITY OF THE EMPIRE

1. THE ADDRESS FROM THE PARLIAMENT OF CANADA ON HOME RULE FOR IRELAND

(1) The Marquis of Lorne to the Earl of Kimberley

GOVERNMENT HOUSE, OTTAWA, My Lord, May 16, 1882.

I have the honour to forward herewith, in order that it may be laid at the foot of the Throne, an Address to her most Gracious Majesty the Queen, agreed to by the Senate and House of Commons of Canada in Parliament assembled in relation to affairs in Ireland.

I have, &c.,

LORNE.

ENCLOSURE

Most Gracious Sovereign,

We, your Majesty's most dutiful and loyal subjects, the Senate and Commons of Canada, in Parliament assembled, desire most earnestly, in our own name, and on behalf of the people whom we represent, to renew the expression of our unswerving loyalty and devotion to your Majesty's person and Government.

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1. We have observed, may it please your Majesty, with feelings of profound regret and concern, the distress and discontent which have prevailed for some time among your Majesty's subjects in Ireland.

2. We would respectfully represent to your Majesty that your Irish subjects in the Dominion of Canada are among the most loyal, most prosperous, and most contented of your Majesty's

subjects.

3. We would further respectfully represent to your Majesty that the Dominion of Canada, while offering the greatest advantages and attractions for those of our fellow-subjects who may desire to make their homes amongst us, does not receive that proportion of emigrants from Ireland which might reasonably be expected, and that this is due, in a great measure, in the case of many of our Irish fellow-subjects who have sought foreign homes, to their feelings of estrangement towards the Imperial Government.

4. We would further most respectfully represent to your Majesty, that in the interests of this your loyal Dominion and of the entire Empire, it is extremely to be desired that your Majesty may not be deprived in the development of your Majesty's possessions on this continent of the valuable aid of those of your Majesty's Irish subjects who may feel disposed to leave their native land to seek more prosperous homes.

5. We desire respectfully to suggest to your Majesty, that Canada and its inhabitants have prospered exceedingly under a Federal system, allowing to each Province of the Dominion con-

siderable powers of self-government, and would venture to express a hope that, if consistent with the integrity and well-being of the Empire, and if the rights and status of the minority are fully protected and secured, sure means may be found of meeting the expressed desire of so many of your Irish subjects in that regard, so that Ireland may become a source of strength to your Majesty's Empire, and that your Majesty's Irish subjects at home and abroad may feel the same pride in the greatness of your Majesty's Empire, the same veneration for the justice of your Majesty's rule, and the same devotion to, and affection for, our common flag, as are now felt by all classes of your Majesty's loyal subjects in this Dominion.

6. We would further express a hope that the time has come when your Majesty's clemency may, without injury to the interests of the United Kingdom, be extended to those persons who are now imprisoned in Ireland charged with political offences only, and the inestimable blessing of personal liberty restored to them.

We pray that the blessings of your Majesty's Reign may, for your people's sake, be long con-

tinued.

 L. Macpherson, Speaker.
 J. G. Blanchet, Speaker.

The Senate, Wednesday, 3rd May, 1882. House of Commons, Thursday, 20th April, 1882. (2) The Earl of Kimberley to the Marquis of Lorne

DOWNING STREET, June 12, 1882.

MY LORD,

I have received and laid before the Queen the Address to her Majesty from the Senate and House of Commons of Canada in Parliament assembled, which was transmitted in your Lordship's despatch of the 16th of May.

I am commanded by her Majesty to request that you will convey to the Senate and House of Commons her appreciation of the renewed expression of their unswerving loyalty and devotion to

her Majesty's person and Government.

Her Majesty will always gladly receive the advice of the Parliament of Canada on all matters relating to the Dominion, and the administration of its affairs; but, with respect to the questions referred to in the Address, her Majesty will, in accordance with the Constitution of this country, have regard to the advice of the Imperial Parliament and Ministers, to whom all matters relating to the affairs of the United Kingdom exclusively appertain.

I have, &c.

KIMBERLEY.

2. MEMORANDUM BY SIR JULIUS VOGEL ON THE FEDERATION OF THE BRITISH EMPIRE

SIR JULIUS VOGEL has the honour to submit to his Excellency,1 for transmission to the Right Hon, the Secretary of State for the Colonies, a memorandum on the question of the Federation of the British Empire. He ventures to do so because he understands from remarks made by Lord Derby on a public occasion, or in the House of Lords—he is not certain which—that his Lordship, in referring to this question, said it was necessary to know precisely what was meant by it, and what the Colonies thought of it. Sir Julius Vogel was, he believes, the first to ventilate this question some fourteen years since in a letter to the Standard newspaper, and subsequently in several magazine articles. He is aware that neither for this nor for other reasons has he the right to speak with authority about it. But it is evident that at the present time no one has the right to speak with authority for the Colonies, and the nearest approach to what Lord Derby asks can only as yet be obtained by the ventilation of the views of those who take an interest in the ques-Public opinion has yet to be formed on Sir Julius Vogel hopes that this the subject.

¹ The Governor of New Zealand.

explanation will exonerate him in the minds of the Secretary of State and of the Governor from the charge of presumptuously volunteering his opinion on the question.

Federation of the Empire Sir Julius Vogel understands to mean the promulgation of such a constitution as will indissolubly knit all Great Britain's vast territories into one dominion, without power to any part to retire from the federation. At present it is to be presumed that Great Britain would not listen to the severance of any Crown Colony or of India. But as regards the constitutional Colonies it is generally understood that, though the mother country desires to retain them, she would not force them to remain parts of the British dominions in the face of a well-matured desire on the part of one or more of them to separate. The Colonists generally—it may be said universally-entertain the profoundest feeling of admiring esteem and loval love for their gracious Sovereign. They recognize also the favourable anticipations in which they may justly indulge as to the future sovereignty. But no personal feeling of loyalty can possibly do away with the logical certainty that, when the time comes that the effective population (by which is meant that portion of the population which has a share in electing the representative portion of the Legislature) approaches in numbers the effective population of the United Kingdom, they will not agree to let the people of the latter solely regulate the external affairs of the nation. It is of course difficult to fix a standard: but it is certain that when the population of Australasia and Canada

combined equals the population of Great Britain, and probably long before that time, neither Canada nor Australasia will be content to remain without a voice in the Government of the British Empire, so far as relates to external subjects, or indeed to all subjects upon which the issues of peace and war depend. It is manifestly impossible that they will feel otherwise, educated as they will have been in a deep veneration for representative institutions. How can it be imagined that many millions of self-governing, wealthy, and powerful people will consent, without exercising substantial control, to the horrors of war being thrust upon them, to share in submission to affronts which they might consider would render war preferable to peace, or to treaties being negotiated which vitally affected their interests!

Within a period which in the life of a nation may be considered quite brief, the population of the Colonies will grow to the dimensions which, as has been said, would place their decision beyond doubt. But as they attain to this numerical strength the feeling will mature, and it is impossible to predicate when it will commence, when it will become ominous, when irresistible. culmination of the sentiment, and the nature of the terms, depend somewhat on whether the separate Colonies federate amongst themselves or retain their individual entities. An Australasian federation, for example, would grow earlier to ask for a share in the government of the Empire than would the Colonies separately, and would be more excessive in its demands.

If, then, what to the writer seems the mathe-

matical certainty is recognized, that the Colonies will within a few years insist upon having a voice in the affairs upon which peace, war, and treaties depend, it becomes a question, Should they attain to this voice gradually or by a violent wrench, when endurance is stretched to its extreme limit? Apart from the fact that under a violent strain the conditions are not likely to be so suitable or equitable as if they are gradually matured, there is everything in favour of educating both the mother country and the Colonies into a workable system by tentative and early steps. This is so obvious that it would seem nothing more need be said to prove that the question is of an urgent nature.

If it be conceded that federation is the sole alternative to the breaking-up of the Empire within a comparatively short period, and that it means that the several parts of the British dominions must have a share in the government of the whole, it becomes necessary to consider how that share can be given. Obviously the share must be proportional to the importance of the portions represented, and in this fact there is a strong argument for early action, because, whilst early action will not give undue strength to the outlying dominions, it will accustom them to wisely co-operate as their strength increases.

The easiest way of arriving at a conclusion as to the means to be adopted is to first examine the difficulties to be overcome. It would be a mistake to conceal that the obstacles are of a formidable nature. The principal ones may be thus enumerated:

- 1st. That it is necessary to strictly guard against any interference by the Federal Government with the internal affairs of the constituent parts of the federation.
- 2nd. That the parliamentary system of the mother country is wholly wanting at present in any means by which representation could be given to the Colonies without a liability of their interfering in local affairs.
- 3rd. That the Colonies at present do not contribute to the cost of maintaining the external policy of Great Britain, and that it would be incongruous to give them control over expenditure to the defrayal of which they provide no share.
- 4th. The difficulty of securing representation which would give satisfaction to the Colonies, and of bringing them to an agreement with any system arbitrarily framed.

The first and second obstacles point to the creation of a new Parliament to lead only with external affairs, which would, of course, include the means of attack and defence. But it may be at once admitted that any contribution the Colonies would be willing to make to the cost of the forces of the Empire, at the present stage of their development, would fall far short of an amount which would warrant so great a disorganization of the existing parliamentary system of Great Britain as a distinct Federal Parliament would entail. The Colonies are not now in a position to ask for anything of the kind, though obviously, when, in

population and importance, they grow nearer on a par with the mother country, a Federal Parliament would be a necessary adjunct to federation.

It is not to be expected that the third obstacle can be met without a great deal of consideration and negotiation. As to absolute cost, it is probable that any contribution the Colonies would have to make on any reasonable basis to the cost of the forces and defence of the Empire would fall far short of what they are now spending in more or less isolated efforts in the way of defence. But they are not sufficiently educated on the subject to negotiate on the basis of the three points: indissoluble connexion, money contribution, and efficient representation. If (which is to be doubted) the mother country were really able to make them a hard-and-fast proposal, the Colonies are scarcely yet in a position to entertain a proposition which would bind their future condition for all time to come.

In short, in any way in which the subject is regarded, it is evident that the time is not ripe for its definite settlement. And yet, as has already been said, there are the strongest reasons for leading up to it as early as possible. If the Colonies were much more populous and much more important there would be equal difficulty in the way of coming to a conclusive arrangement with them. True, they would be entitled to more consideration; but that very fact would make them more timid. These premises point to the inevitable deduction that if federation of the Empire is to be brought about it must be arranged by tentative and progressive steps. The interests

are too vast and the field too new to make a final commitment possible until a great deal is ascertained by actual experiment.

This means, in other words, that before arriving at any final arrangement the mother country must test how it will be possible to give the Colonies a recognized position in the deliberations of the Empire with satisfaction to herself and them.

Several expedients have been proposed, such as a Board or Council to the Secretary of State. the giving a more defined and responsible position to the Agents-General, the leaving the Secretary of State from time to time to invite the co-operation of the Colonies, and other plans of the same character. They are all open to the objections that they are not sufficiently elastic and capable of expansion, and that they are out of harmony with the ingrained feeling in the Colonies that political power should proceed from an elective, and not a nominated, source. The test of any plans of this kind is really to be found in late events, and the writer confesses these have altered some of his previous opinions as to the practicability of depending on Councils of Advice. During the last eighteen months the mother country has been considerably interested in those questions relating to the Pacific Islands, which the Colonies of Australasia have regarded as possessing supreme importance. These Colonies have been represented in the mother country by exceptionally able Agents-General, well fitted for any confidence her Majesty's Government might deem it fitting to repose in them. But yet they have in no sense

been called into council. That it has not been deemed expedient to associate them in the negotiations which have been proceeding is proof sufficient that a system of Council or Board of Confidential Advice is not found desirable or workable. Had it been otherwise there probably never was a time during which the Secretary of State would have been more inclined to such a plan. There remains an alternative, which is free from many, though not all, of the objections touched upon, and which is by far the most promising course, inasmuch as it may be brought to a conclusion at any time if not found satisfactory, whilst, if it should prove acceptable, it is capable of being worked out to the ultimate end desired. That plan is to give to the Colonies the right to elect a certain number of members to the House of Commons. It is not much to the purpose to say that some foreign countries give to their Colonial possessions representation in the Supreme Legislature, because no foreign colonies have essential features in common with the constitutional Colonies of Great Britain. It is quite the case also that the plan is open in part to the second and third objections previously stated-namely, that such representatives would hold an incongruous position, both in respect to their power of interfering with local affairs and with revenues to which those they represent do not contribute. Possibly some provision might be enacted for limiting the voting of Colonial representatives, although it would be a matter of much regret that such restrictions should be thought necessary. Whilst the objections could not be altogether ignored,

it should be borne in mind that the purpose of the admission of Colonial representatives would be to lead up to an arrangement under which the Colonies would become contributors to the revenues, and that their power of interfering in local affairs would be incidental to its being found more convenient not to organize a Federal Parliament until the arrangements for federation were matured. If federation is ever to be, the source from which it will arise must be the House of Commons, and it has to be remembered that the Imperial Parliament is really only local by its own decisions. The constitutions of all the Colonies are by Act of Parliament, not by charter; and, whilst it would be a broad, it would not be an illogical, contention that it is desirable that the Colonies should be represented whilst the prospect continued of legislation relating to their federation with the Empire. Again, it might with force be urged that, though the Colonies do not now directly contribute to Imperial revenues, they spend a great deal on defences and forces that are essentially of Imperial moment.

The proposed representation might be made experimental, to extend, for example, over the duration of three Parliaments. The number of representatives given to the whole of the constitutional Colonies need only be small, say twenty in all. Much may be said as to the advantages of this proposal. It is free from the principal objection to other plans that they involve the recognition of a new official position. A Colonial representative would be neither more nor less than a member of Parliament. His influence in

the House, or with members, or with the Government, would depend upon the force of his character, the strength of his abilities, and the nicety of his tact and judgement. Gradually the colonial representatives would grow into being considered authorities on matters in which the colonies' interests were concerned. They would be the representative tests of the practicability and the expediency of ultimately creating a Federal Legislature. It would be of paramount importance that they should be elected by the constituencies. not nominated by the governments of the Colonies, and they would thus afford a good indication of what colonial representation in a Federal Parliament would mean. Elected for each Parliament they would be a living bond of communication between the Colonies and the mother country, without interfering with the ordinary administrative communication through the Governors or Agents-General. They would be associated with the growth (if ever there is to be such growth) of a plan for federation, though they would in no way represent or supersede the Executive Governments of the several Colonies. And if federation is not to be, and the Empire in course of time is to be disintegrated, no harm could possibly come of the Colonies having had for a few years their representatives in the House of Commons.

In a former memorandum Sir Julius Vogel urged that the proposed Federal Council of the Australasian Colonies should take the shape of one accountable direct to the several Colonies, and not representative to her Majesty's Government. He thought, and still thinks, that the autonomy of

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each Colony should be rigidly preserved. The Australasian Colonies have already the power, and it is likely they will use it, of making Customs treaties between themselves. A legalized power of general convention would complete the measure of authority necessary to enable them to adopt such mutual relations as from time to time they desire. They would be free to enter into a federation of the Empire, and be much more likely to do so than if they were bound up in one dominion, with only one mouthpiece of communication with the mother country.

Julius Vogel.

February 24, 1885.

3. RIGHT HON. JOSEPH CHAMBERLAIN'S SPEECH AT THE FIRST MEETING OF THE COLONIAL CONFERENCE OF 1897

On Thursday, the 24th of June, the Prime Ministers of Canada, New South Wales, Victoria, New Zealand, Queensland, Cape Colony, South Australia, Newfoundland, Tasmania, Western Australia, and Natal, assembled at the Colonial Office, Downing Street, for the discussion of certain Imperial questions with the Secretary of State for the Colonies. It was decided that the proceedings should be informal and that the general results only should be published. With the view of giving a definite direction to the discussion, the Secretary of State, in opening the proceedings, set forth the subjects which he considered might usefully be discussed, so as to secure an interchange of views upon them, and, where they were ripe for a statement of opinion, a definite resolution in regard to them, in the following speech:

I have made arrangements for a full shorthand report of all our proceedings, which will be confidential, unless we otherwise desire, but copies, of course, will be furnished to every gentleman for reference, and possibly later on, if we come to any conclusions, we may consider further whether it is desirable or not that any public statement should be made. In the meantime, until we come to a united conclusion upon the subject, the proceedings will be treated as absolutely confidential.

'I desire at the outset of these proceedings to offer to you, on behalf of her Majesty's Government, a hearty and cordial welcome. You will have seen in your short visit to this country that all parties, and all classes, are animated by the most affectionate feelings of regard towards our colonial fellow subjects. I think that you may also feel that the main object of your visit has already been to a great extent accomplished. The great pageant to which you contributed so interesting a feature has shown to this country, to the Colonies, and to all the world, the strength, the power, the resources, and the loyalty of the British Empire. It was, I think we shall all agree, a most remarkable and absolutely unparalleled demonstration of personal loyalty to a Sovereign and of the essential unity of the Empire.

Her Majesty's Government, while very anxious to take this opportunity of an interchange of views with you on many matters of common interest, have carefully avoided suggesting anything in the nature of a formal Conference. We do so, in the first place, because we do not wish to detract in any way from the personal character of this visit, and also because we do not desire to take advantage of your presence to force upon you discussions on which you might be unwilling at this moment to enter. On the other hand we are open to consider in the most friendly and the most favourable way any representations which

may be made to us by the representatives of the self-governing Colonies, having regard to the present or the future relations between the different parts of the Empire, and in this respect we are in the position of those who desire rather to learn your views than to press ours upon you. I might, I think, upon this sit down and invite your opinions, but it has been suggested to me, and it seems reasonable to suppose, that it might be convenient to you at this, our preliminary meeting, if I were to state as briefly as I can the subjects which appear to us to be most worthy of our joint consideration, and then it will be for you to say whether these subjects, or any of them, are such as you would like to consider more formally and in detail, in which case I hope we may arrange for subsequent interviews with that object; but to-day I will state for your consideration a list of subjects, and I will ask you to give me your views as to the way in which they should subsequently be dealt with.

POLITICAL KELATIONS

Now, gentlemen, undoubtedly the greatest, the most important, and at the same time the most difficult of all the subjects which we could consider is the question of the future relations, political and commercial, between the self-governing Colonies and the United Kingdom. I do not think that it is necessary for me to argue at all upon the advantages of such closer union. Strong as is the bond of sentiment, and impossible as it would be to establish any kind of relations unless that

bond of sentiment existed. I believe we all feel that it would be desirable to take advantage of it, and to still further tighten the ties which bind us together. In this country, at all events, I may truly say that the idea of federation is in the air. Whether with you it has gone as far, it is for you to say, and it is also for you to consider whether we can give any practical application to the principle. It may well be that the time is hardly ripe for anything definite in this regard. It is quite true that our own constitution and your constitutions have all been the subject of very slow growth and that they are all the stronger because they have been gradually consolidated, and so perhaps with Imperial Federation: if it is ever to be accomplished, it will be only after the lapse of a considerable time and only by gradual steps.

And undoubtedly one of those steps to which we must all attach very great importance is the grouping of the Colonies. We rejoice in this country that Canada has already shown the way, with results which every one has seen have conduced greatly to her strength and to her prosperity. We observe, with the most lively interest, the proceedings which are taking place in Australia with the same view. We know that in South African politics the same idea has bulked very largely in the past, and probably will come to the front again. In regard to all these matters it is not for us to offer advice; it is not for us to press upon you in any shape our interference or our assistance. If it be possible for us in any way to help you to give effect to your own desires, I need not say that we are entirely at your service; but, in the meanwhile, I can assure you, on behalf, I am sure, of the people of this country, that we most heartily wish success to your efforts, believing, as I have said, that it will in your case, as it has already done in the case of Canada, conduce to your prosperity and to your power. But as regards the larger question, and anything in the nature of a federation of the Empire, the subject seems to me to depend entirely upon the feeling which exists in the Colonies themselves. Here you will be met half-way. The question is whether up to the present time there is such a genuine popular demand for closer union as would justify us in considering practical proposals to give it shape.

I feel that there is a real necessity for some better machinery of consultation between the self-governing Colonies and the mother country, and it has sometimes struck me-I offer it now merely as a personal suggestion—that it might be feasible to create a great council of the Empire to which the Colonies would send representative plenipotentiaries, -not mere delegates who were unable to speak in their name, without further reference to their respective Governments, but persons who, by their position in the Colonies, by their representative character, and by their close touch with colonial feeling, would be able, upon all subjects submitted to them, to give really effective and valuable advice. If such a council were to be created it would at once assume an immense importance, and it is perfectly evident that it might develop into something still greater.

It might slowly grow to that Federal Council to which we must always look forward as our ultimate ideal.

And to a council of this kind would be committed, in the first instance, the discussion of all minor subjects of common interest, and their opinion would be taken and would weigh most materially in the balance before any decision were come to either by this country or by the legislatures of the several Colonies in regard to such matters.

There is only one point in reference to this which it is absolutely necessary that we all should bear in mind. It may be that the time has come, and if not I believe it will come, when the Colonies will desire to substitute for the slight relationship which at present exists a true partnership, and in that case they will want their share in the management of the Empire which we like to think is as much theirs as it is ours. course, with the privilege of management and of control will also come the obligation and the responsibility. There will come some form of contribution towards the expense for objects which we shall have in common. That, I say, is selfevident, but it is to be borne in mind, even in these early stages of the consideration of the subject.

Now, gentlemen, in connexion with this subject we have already made a small advance, upon which I congratulate myself, since it was accomplished during my term of office, though it was prepared by my predecessors; and it may have in the future important results. The Judicial

214 Committee of the Privy Council is the great Judicial Court of Appeal of the Empire. It is the nearest approach, the closest analogy, to the Supreme Court of the United States. It is a body of almost universal and world-wide reputation and authority, and it is our desire naturally, in pursuit of the ideas which I am venturing to put before you, to increase its authority, if that be possible, and to give it a more representative character, and with that view we have most gladly secured the appointment as Privy Councillors of distinguished Judges from the courts of Canada, of Australia, and of South Africa. and they now will take their seats on equal terms with the other members of the Judicial Committee. Well, gentlemen, that is a good beginning, but I do not think that you can feel that at present the arrangement is on a permanent footing. There are objections to the present system which will present themselves to every mind. The Judges who have been chosen have hitherto been Judges who are still in active practice. That at the outset raises a considerable difficulty. It will be difficult for these Judges, even if it were consistent with our general idea of what is right, to take part in appeals in regard to cases upon which they have already decided. And another difficulty is that by the necessity of their position the greater part of their time will be spent in the colonies from which they come. They will only be here for indefinite periods, and as it were on casual occasions. It is impossible to arrange the business of the Privy Council or to delay the

suitors to meet their convenience, and the result

of that is that though they would sit as Judges of the Privy Council, it may very often happen that they would not be present or be able to serve precisely on the occasions on which they might be most useful. Now all that could be altered by the Colonies themselves, and this is one of the subjects which I recommend to your attention. If these gentlemen were appointed solely and entirely for the purpose of representing the groups of Colonies on the Privy Council, they could reside permanently in this country, and not being themselves actively engaged in judicial work at home, they could sit and assist the Privv Council in all cases in which their respective Colonies were engaged; and I think this would go very far to strengthen the position of the Privy Council, and at the same time to give to all the Colonies a security that justice would be done when they appeal to this great institution. May I note in passing a matter of some importance, in regard to the proposed Australian Federation Bill? It appears in that Bill to be suggested that if it is passed appeals should only go to the Privy Council upon constitutional questions. I venture most respectfully to urge the reconsideration of that suggestion. Nothing is more desirable in the interests of the Colonies, in the interests of the United Kingdom and of the British Empire. than an uniformity of law, and that uniformity can only be obtained by occasional appeals to the highest tribunal, settling once for all the law for all parts of the Empire; and I confess I think it would be a great loss to the Colonists if they surrendered the opportunity of getting this judicial

decision upon difficult and complicated points of law which from time to time may arise in the local courts.

DEFENCE

I have said that the question to which I first directed your attention—that of closer relations -is greater than all the rest. I may say that it covers all the rest, because, of course, if Federation were established, or anything approaching to it, all these other questions to which I am now about to call your attention would be settled by whatever was the representative body of the Federation, and among them, and in the very first rank, must of necessity come the question of Imperial defence. Gentlemen, you have seen something of the military strength of the Empire: you will see on Saturday an astounding representation of its naval strength, by which alone a Colonial Empire can be bound together. You are aware that that representation—great, magnificent, unparalleled as it will be-is nevertheless only a part of the naval forces of the Empire spread in every part of the globe. The great Mediterranean fleet is still at its full force: the fleets on the various stations are all up to their normal strength, and the fleet which you will see on Saturday next is merely the Reserve and the Home fleet, ready to go anywhere, at any time, in the interests of the Colonies and of the United Kingdom.

This gigantic navy, and the military forces of the United Kingdom, are maintained, as you

know, at heavy cost. I think the charge upon the Exchequer is at the present time something like 35 millions sterling per annum, and it constitutes more than one-third of the total income of the country. Now, these fleets, and this military armament, are not maintained exclusively, or even mainly, for the benefit of the United Kingdom, or for the defence of home interests. are still more maintained as a necessity of empire. for the maintenance and protection of Imperial trade and of Imperial interests all over the world. and if you will for a moment consider the history of this country during, say, the present century. or, I would say, during the present reign, you will find that every war, great or small, in which we have been engaged, has had at the bottom a colonial interest, the interest, that is to say, either of a colony, or of a great dependency like India. That is absolutely true, and is likely to be true to the end of the chapter. If we had no Empire. there is no doubt whatever that our military and our naval resources would not require to be maintained at anything like their present level.

Now I venture to say that that must necessarily be the case in the future. Look at the condition of the Colonies. Assume,-although I am almost ashamed to assume it, even for the purpose of argument,—assume that these Colonies were separated from the mother country. What would be the position of the great Dominion of Canada? The Dominion of Canada is bordered for 3,000 miles by a most powerful neighbour, whose potentialities are infinitely greater than her actual resources. She comes into conflict in

regard to the most important interests with the rising power of Japan, and even in regard to some of her interests with the great empire of Russia. Now, let it not be supposed for a moment that I suggest as probable—I hardly like to think that it is even possible—that there should be a war between Canada, or on behalf of Canada, either with the United States of America, or with any of the other Powers with which she may come into contact; but what I do say is this, that if Canada had not behind her, to-day, and does not continue to have behind her this great military and naval power of Great Britain, she would have to make concessions to her neighbours, and to accept views which might be extremely distasteful to her in order to remain permanently on good terms with them. She would not be able to, it would be impossible that she should, herself control all the details of her own destiny; she would be, to a greater or less extent, in spite of the bravery of her population and the patriotism of her people, she would still be, to a great extent, a dependent country

Look at Australia again. I need not dwell on the point at any length, but we find the same thing. The interests of Australia have already, on more than one occasion, threatened to come into conflict with those of two of the greatest military nations of the Continent, and military nations, let me add, who also possess each of them a very large, one of them an enormous, fleet. There may be also questions of difficulty arising with Eastern nations, with Japan or even with China, and under those circumstances the

Australasian Colonies are in precisely the same position as the Dominion of Canada. In South Africa, in addition to the ambitions of foreign countries, to which I need not further allude, our Colonies have there domestic rivals who are heavily armed, prepared both for offence and for defence; and again I say, nothing could be more suicidal or more fatal than for any of those great groups of Colonies either to separate themselves in the present stage from the protecting forces of the mother country, or to neglect themselves to take their fair share in those protective resources.

What, then, I want to urge upon you is, and in doing so I think I am speaking to those who are already converted, that we have a common interest in this matter, and certainly it has been a great pleasure to us, a great pride to us, that Australia, in the first instance, offered voluntarily a contribution in aid of the British Navv besides taking her full share of her own military defences. Now we have to recognize that the Cape Colony has followed in that patriotic course. I do not know upon what conditions these gifts may be offered or continued, but, at all events, the spirit in which they have been made is most heartily reciprocated in this country. The amount, of course, is at the present time absolutely trifling, but that is not the point. We are looking to the Colonies as still children, but rapidly approaching manhood. In the lifetime, perhaps, of some of us, we shall see the population doubled, and certainly in the lifetime of our descendants there will be great nations where now there are comparatively sparse populations; and to establish

in the early days this principle of mutual support and of a truly Imperial patriotism, is a great thing of which our Colonial statesmen may well

be proud.

I shall be very glad to hear the views of the Premiers in regard to this question of any contribution which they think the Colonies would be willing to make in order to establish this principle in regard to the naval defence of the Empire. As regards the military defence of the Empire, I am bound to say that we are still behindhand. although a great deal has been done in recent years. As you know, the Colonial Defence Committee of experts has been sitting, and has accomplished already, with the assistance of the Colonies, a very great improvement in the state of things which existed before; but I cannot say from the information at my disposal that with all the magnificent resources of the Colonies their organization at present is satisfactory. This is more a matter of detail, and I do not propose to dwell upon it now, but I would remind the Premiers assembled that if war breaks out war will be sudden, and there will be no time for preparation Therefore it is of the first importance that we, all having a common interest, should have beforehand a scheme of common defence against any possible or at all events any probable enemy, and we ought to have these schemes of defence before us. In the case of some of the Colonies schemes have already been prepared; in others no scheme has been prepared or concerted up to the present time, and I believe it is most desirable that that omission should be repaired. It is also

most desirable, in Australia especially, and to a lesser extent, although still to an important extent in South Africa, that there should be an uniformity in regard to the military preparations. An uniformity of arms is, I need scarcely say, of immense importance, as it gives us interchangeability of weapon, and there are also uniformity of equipment, some central provision for stores, and for the military instruction of the local forces, all of which can be arranged with the assistance of the Colonies, and, I believe, very much to their advantage.

EXCHANGE OF MILITARY FORCES

But I am looking forward to something more than that. The interchangeability in the several groups is a matter of great importance, but how much greater it would be if there were interchangeability between the whole forces of the Empire, between the forces which you have in the several Colonies and the forces of which you have seen some examples at home since you came to these shores. That is a matter which also can be arranged, and to which we shall bring at all events the utmost good-will. If you have, as Canada has at Kingston, an important military college, it may be possible for us to offer occasionally to the cadets of that college commissions in the British Army. But a still more important matter which has suggested itself to my mind, and which now I desire to commend to your earnest attention, is a proposal which may be described as the interchangeability of military duties. To put it into plain English it means this: that, for instance, a Canadian regiment should come to this country, take up its quarters for a period of time, at least 12 months, with the British army, and form, during the whole time that it is in this country, a part of the British army, and that in return a similar regiment of British troops, or a brigade of artillery or cavalry, should go to Canada and should reside and exercise with the Canadian army, and form a part of that army. The idea is that this should be chiefly for the purpose of drill and instruction, and I cannot doubt that it will be of enormous advantage to the Canadian troops, and to the troops of the Colonies, to measure themselves against the regular army, and to learn the discipline and the manœuvres which are practised on a large scale in this country.

But my imagination goes even further. It seems to me possible that, although in the first instance the idea is that such a regiment coming to this country would come solely for that purpose and would not be engaged in military operations, yet if it were their wish to share in the dangers and the glories of the British army and take their part in expeditions in which the British army may be engaged, I see no reason why these colonial troops should not, from time to time, fight side by side with their British colleagues. That, however, is a matter which, like everything else which I am putting before you, is not a recommendation which has any pressure behind it; it is merely a suggestion to be taken up by you voluntarily if it commends itself to your

minds. What I have suggested might take place with regard to Canada, I believe might equally take place with regard to such fine forces as those of which we have seen representatives from some of the Colonies of Australia, and might take place also with regard to the South African Colonies.

COMMERCIAL RELATIONS

I pass on, then, to another question, and that is as to the future commercial relations between this country and her Colonies. How far is it possible to make those relations closer and more intimate? I have said that I believe in sentiment as the greatest of all the forces in the general government of the world, but, at the same time, I should like to bring to the reinforcement of sentiment the motives which are derived from material and personal interest. But undoubtedly the fiscal arrangements of the different Colonies differ so much among themselves, and all differ so much from those of the mother country, that it would be a matter of the greatest complication and difficulty to arrive at any conclusion which would unite us commercially in the same sense in which the Zollverein united the Empire of Germany. It may be borne in mind that the history of that Zollverein is most interesting and most instructive. It commenced entirely as a commercial convention, dealing in the first instance only partially with the trade of the Empire, it was rapidly extended to include the whole trade of the Empire, and it finally made possible and encouraged the ultimate union of the Empire.

But this is a matter upon which at the present time, rather than suggest any proposals of my own, I desire to hear the views of the gentlemen

present.

In the meanwhile, however, I may say that I note a resolution which appears to have been passed unanimously at the meeting of the Premiers in Hobart, in which the desire was expressed for closer commercial arrangements with the Empire, and I think it was suggested that a Commission of Inquiry should be created in order to see in what way practical effect might be given to the aspiration. If that be the case, and if it were thought that at the present time you were not prepared to go beyond inquiry, if it were the wish of the other Colonies, of Canada and of the South African Colonies, to join in such an inquiry, her Maiesty's Government would be delighted to make arrangements for the purpose, and to accept any suggestions as to the form of the reference and the character and constitution of the Commission. and would very gladly take part in it.

But that brings me to another question connected with commercial relations, and of great importance. I refer to the treaties at present existing between the mother country, acting on behalf of the Colonies as well as of herself, and foreign countries. The question has been raised at various times in the shape of resolutions or suggestions from the Colonies that certain treaties, notably a treaty with Germany and a treaty with Belgium, should be denounced. It should be borne in mind that that is for us a most important question. Our trade with Germany and

Belgium is larger than our trade with all the Colonies combined. It is possible that if we denounced those treaties Germany and Belgium would endeavour, I do not say whether they would succeed, but they might endeavour to retaliate, and for some time, at any rate, our commercial relations with these two countries might be disturbed. Therefore a step of that kind is one which can only be taken after the fullest consideration, and in deference to very strong opinion both in this country and in the Colonies. Now the question is brought to a practical issue, or may be brought to a practical issue, by the recent action of Canada. As all are aware. Canada has offered preferential terms to the mother country, and Germany and Belgium have immediately protested and claimed similar terms under these treaties. Her Majesty's Government desire to know from the Colonies whether, so far as they are concerned, if it be found that the arrangements proposed by Canada are inconsistent with the conditions of those treaties, they desire that those treaties shall be denounted. If that be the unanimous wish of the Colonies, after considering the effect of that denunciation upon them as well as upon us, because they also are concerned in the arrangements which are made by these treaties, then all I can say at the present time is that her Majesty's Government will most earnestly consider such a recommendation from the Colonies, and will give to it the favourable regard which such a memorial deserves.

But I should add that there is another question which is still more difficult, but about which I only wish to offer a word of warning to the representatives present. Besides those two treaties which are very special in their terms, and which prevent the preferential arrangement or which appear to prevent the preferential arrangement contemplated by Canada, we have a most favoured nation clause in all our treaties to which most of the Colonies are parties. I may explain that, under the terms of the Canadian resolution, if any foreign nation were to offer to Canada beneficial terms as defined in the resolution. Canada would then be bound to give to that country the same preference as is offered to Great Britain. Let me suppose, for instance, that it was a minor country like Holland, and assume for the sake of argument that Holland offered these advantages, thereupon Canada would be compelled to give the same terms to Holland that she now offers to the mother country. She would then be bound by most favoured nation treaties to give the same terms to practically every important commercial country in the world. It would be, I think, a matter of impossibility to denounce those treaties, because that involves the whole trade of the Empire, and in some cases there is no term of denunciation in the treaties.

But of course the whole difficulty can be avoided—I only point it out in passing—the whole difficulty can be avoided by any Colony which desires to make the preferential arrangement with the mother country, if that Colony will confine its offer nominatim to the mother country and not make it to a foreign country; but if it is offered to a foreign country then, as I say, it will be con-

trolled by the most favoured nation treaties throughout the world.

ALIEN IMMIGRATION

One other question I have to mention, and only one; that is, I wish to direct your attention to certain legislation which is in process of consideration, or which has been passed by some of the Colonies, in regard to the immigration of aliens, and particularly of Asiatics.

I have seen these Bills, and they differ in some respects one from the other, but there is no one of them, except perhaps the Bill which comes to us from Natal, to which we can look with satisfaction. I wish to say that her Majesty's Government thoroughly appreciate the object and the needs of the Colonies in dealing with this matter. We quite sympathise with the determination of the white inhabitants of these Colonies which are in comparatively close proximity to millions and hundreds of millions of Asiatics that there shall not be an influx of people alien in civilization, alien in religion, alien in customs, whose influx, moreover, would most seriously interfere with the legitimate rights of the existing labour population. An immigration of that kind must, I quite understand, in the interest of the Colonies, be prevented at all hazards, and we shall not offer any opposition to the proposals intended with that object, but we ask you also to bear in mind the traditions of the Empire, which makes no distinction in favour of, or against race or colour; and to exclude, by reason of their colour, or by reason of their race, all her Majesty's Indian subjects, or even all Asiatics, would be an act so offensive to those peoples that it would be most painful, I am quite certain, to her Majesty to have to sanction it. Consider what has been brought to your notice during your visit to this country. The United Kingdom owns as its brightest and greatest dependency that enormous Empire of India, with 300,000,000 of subjects, who are as loyal to the Crown as you are yourselves, and among them there are hundreds and thousands of men who are every whit as civilized as we are ourselves, who are, if that is anything, better born in the sense that they have older traditions and older families, who are men of wealth, men of cultivation, men of distinguished valour, men who have brought whole armies and placed them at the service of the Queen, and have in time of great difficulty and trouble, such for instance as on the occasion of the Indian Mutiny, saved the Empire by their loyalty. I say, you, who have seen all this, cannot be willing to put upon those men a slight which I think is absolutely unnecessary for your purpose, and which would be calculated to provoke ill-feeling, discontent, irritation, and would be most unpalatable to the feelings not only of her Majesty the Queen, but of all her people.

What I venture to think you have to deal with is the character of the immigration. It is not because a man is of a different colour from ourselves that he is necessarily an undesirable immigrant, but it is because he is dirty, or he is immoral, or he is a pauper, or he has some other

objection which can be defined in an Act of Parliament, and by which the exclusion can be managed with regard to all those whom you really desire to exclude. Well, gentlemen, this is a matter I am sure for friendly consultation between us. As I have said, the Colony of Natal has arrived at an arrangement which is absolutely satisfactory to them, I believe, and remember they have, if possible, an even greater interest than you, because they are closer to the immigration which has already begun there on a very large scale, and they have adopted legislation which they believe will give them all that they want, and to which the objection I have taken does not apply, which does not come in conflict with this sentiment which I am sure you share with us; and I hope, therefore, that during your visit it may be possible for us to arrange a form of words, which will avoid hurting the feelings of any of her Majesty's subjects, while at the same time it would amply protect the Australian Colonies against any invasion of the class to which they would justly object. Now, gentlemen, I really owe you a humble apology for having detained you so long, but I thought that it might be to your convenience that this recapitulation should be made of some things which might be treated in our discussions, and I have only now to thank you very much for your kindness in listening to me so patiently, and to express a hope that you will be good enough to give me generally and at this stage in our proceedings your ideas as to the course which we should take in regard to our future meetings.

4. THE ADMIRALTY MEMORANDUM ON IMPERIAL DEFENCE, PRESENTED TO THE COLONIAL CONFERENCE OF 1902

The importance which attaches to the command of the sea lies in the control which it gives over sea communications. The weaker sea-power is absolutely unable to carry to success any large military expedition over sea. The truth of this is shown by reference to the history of the past.

In ancient times the Greek victory of Salamis threatened the Persian communications across the Dardanelles, and doubtless this danger contributed to bring about their retreat into Asia.

The failure of the famous Syracusan expedition was due to the defeat of the Athenian fleet, and had its modern counterpart in the failure of Admiral Graves off the entrance to Chesapeake Bay in 1781. In both cases the army had to surrender because its communications were cut. The defeat of Nikias dealt a heavy blow to the supremacy of Athens, and may, perhaps, be said to have been one of the principal events which led to her downfall. The surrender of Cornwallis, at Yorktown, was the prelude to the independence of the United States.

The main cause of the failure of the expedition of Napoleon to Egypt was the defeat of the French fleet at the Nile, which was the first step towards cutting his communications with France, and the subsequent surrender of the French army.

On the other hand, the advantages which accrue to the stronger sea-power, after it has won the command of the sea, are equally illustrated by historical example.

The fall of Quebec and the conquest of French Canada was mainly due to the fact that our superior sea-power closed the Gulf of St. Lawrence to the French and opened it to us. In any similar struggle in the future, this route will be as vital as in the past.

The expedition to Egypt under Abercromby, in 1801, the Peninsular War, the expedition to the Crimea, the South African War, just concluded, are all instances of great military enterprises which could only have been carried out by a nation holding the command of the sea.

The command of the sea is determined by the result of great battles at sea, such as Salamis, Actium, Lepanto, those which led up to the defeat of the Armada, and those between the Dutch and English in the 17th century, in which each side concentrated his whole available force for the decisive struggle.

To any naval Power the destruction of the fleet of the enemy must always be the great object aimed at. It is immaterial where the great battle is fought, but wherever it may take place the result will be felt throughout the world, because the victor will afterwards be in a position to spread his force with a view to capturing or destroying any detached forces of the enemy, and generally to gather the fruits of victory, in the shape of such outlying positions as the New Hebrides, Fiji, Singapore, Samoa, Cuba, Jamaica, Martinique,

the Philippines, Malta, or Aden, which may be in possession of the enemy, his shipping and commerce, or even to prosecute such oversea campaigns as those in the Peninsula and South Africa.

Stress is laid on the importance of the great battle for supremacy, because the great development of the navies of France, Germany, the United States, and Russia, indicates the possibility that such battles may have to be fought in the future. It is the battle-ships chiefly which will have to be concentrated for the decisive battle, and arrangements with this object must be made during peace.

The geographical conditions and the varied interests of the maritime powers present such complete concentration in modern times as was practicable in the past. Thus Russia divides her battle-ships between the Baltic and Pacific; the United States between the Atlantic and Pacific; both Germany and France have concentrated in European waters, where also the greater part of the British battle-ships are massed.

Our possible enemies are fully aware of the necessity of concentrating on the decisive points. They will endeavour to prevent this by threatening our detached squadrons and trade in different quarters, and thus obliging us to make further detachments from the main fleets. All these operations will be of secondary importance, but it will be necessary that we should have sufficient power available to carry on a vigorous offensive against the hostile outlying squadrons without unduly weakening the force concentrated for the decisive battle, whether in Europe or elsewhere.

The immense importance of the principle of

concentration and the facility with which ships and squadrons can be moved from one part of the world to another-it is more easy to move a fleet from Spithead to the Cape or Halifax than it is to move a large army, with its equipment, from Cape Town to Pretoria-points to the necessity of a single navy under one control, by which alone concerted action between the several parts can be assured.

In the foregoing remarks the word defence does not appear. It is omitted advisedly, because the primary object of the British Navy is not to defend anything, but to attack the fleets of the enemy, and, by defeating them, to afford protection to British Dominions, shipping, and commerce. is the ultimate aim.

To use the word defence would be misleading, because the word carries with it the idea of a thing to be defended, which would divert attention to local defence instead of fixing it on the force from which attack is to be expected.

The traditional rôle of the British Navy is not to act on the defensive, but to prepare to attack the force which threatens-in other words, to assume the offensive. On one occasion England departed from her traditional policy, and, acting on the defensive, kept her ships in harbour unrigged and unmanned, with the result that the Dutch fleet sailed up the Medway and burnt the ships of war at their moorings.

The strength and composition of the British Navy, or of any British squadron, depends, therefore, upon the strength and composition of the

hostile forces which it is liable to meet.

The total estimated National Expenditure for 1902-3, exclusive of war charges, amounts to £129,159,000, of which the Navy Estimates account for £31,255,500, or about one-fourth, which is equal to a contribution of 15s. 1d. per head of the population of the United Kingdom. If this were divided equally per head among the white population of the Empire, the charge per head would amount to 12s. $0\frac{1}{4}d$. For the actual naval expenditure per head in the several parts of the Empire, see Appendix A.

The annual value of British Trade (including Bullion and Specie), which it is the ultimate object of the Navy to protect, amounted, in 1900, to:

Trade of United Foreign Co Trade of United British Don	untrie Kingd	s. lom w	ith	£711,838,000
the Seas	•		•	237,098,000
				£948,936,000
Trade of British yond the Se Countries a	as witl	h Fore	ign	
selves .	•	•	•	254,342,000
Total Trade	of Em	pire	£	1,203,278,000

The figure £254,342,000 has been arrived at by deducting a sum of £72,624,000 from the sum of the total amounts of Trade, of all the Dominions, in order to allow for the duplication of the reciprocal Trade of those Dominions among themselves.

It will be seen that about one-fifth of the Total Trade of the Empire is not directly connected with the United Kingdom.

The question may, with advantage, be further considered with reference to:

- 1. Atlantic Ocean.
- 2. Eastern Seas and Pacific Ocean.

The British Trade which passes the West Coast of Africa cannot be placed at a less value than £140,000,000 per annum, of which about one-fifth is with South African ports, one-third with Australasia, and one-third with South America. South Africa, Australia, and New Zealand are, therefore, each interested in the maintenance of a squadron on the West Coast of Africa sufficiently powerful to protect this Trade.

The Trade of the United Kingdom with the Atlantic Coast of the Continent of North America amounted, in the year 1900, to £218,000,000; of which about £30,000,000 was with Canada.

So far as can be estimated, Canada had also about £14,000,000 of sea-borne Atlantic Trade with other British Dominions and Foreign Countries. Canada would, therefore, be interested in the success of the British squadrons employed in protecting Trade in every part of the Atlantic. That is to say, Canada is not only interested in the North American Squadron, but also in the strength of the British Fleet as a whole.

The cost of maintaining the British squadrons on these stations, exclusive of any interest or sinking fund on the first cost of building, is £802,000 per annum. This is included in the General Naval Vote, which is borne by the United Kingdom aided by annual payments, spontaneously offered, by the Cape of Good Hope of

£30,000 and by Natal of £12,000, in lieu of 12,000 tons of coal.

The magnitude of the Trade in Eastern Waters may be gathered from the following Table, which shows, so far as statistics enable this to be stated. the relative interests in British Trade which passed, necessarily, through those waters during the year 1900, and also how the cost of maintaining the British squadrons in the Eastern Seas and the Pacific, which are ultimately charged with the protection of the whole, is apportioned:

Countries.	Aggregate of Values of Trade which passed through Eastern Waters.††	Contribution to cost of maintaining Squadrons (See Appendix A.1*)	Percentage interest in Trade.	Percentage contribution to Squadrons, *
British Empire other than India, Australia,	ε	£	Per cent.	Per cent.
and New Zealand India Commonwealth of Aus-	325,000,000 142,000,000	1,994,400 161,600	55 24	88•8 7•2
tralia†	105,000,000 24,000,000	75,500 15,500	17 4	3·4 ·6
Total	tt	2,247,000*	100	100

[•] The total charge of £2,247,000 per annum is exclusive of any Interest or Sinking Fund on the first cost of building.

[†] Includes inter-State Sea-borne Trade.
†† The figures in this column represent the sum of the values of the external Trade, of the various parts of the Empire, which passed through Eastern Waters. The aggregates thus obtained are, of course, in excess of the actual British Trade in these Waters, on account of the duplication of inter-Imperial Trade. This duplication, however, is necessary for the present object, which is to show, not the total magnitude of the Trade, but the relative magnitude of the Trade Interest of the various parts of the Empire. The column does not admit of being added up for the reason stated.

Note.—The above Statistics of Trade are not quite complete, as they do not include the Trade of Hong Kong; there being no Statistics of the Trade of that place. This, however, is probably counterbalanced by the inclusion of the whole of the Straits Settlements Trade, which is largely 'Entrepôt Trade.'

Admiralty, June, 1902. (Revised April, 1903.)

APPENDIX 'A'

Year.		Popula- tion.	Naval Expendi- ture.	Navai Expendi- ture per head of Population.	Remarks.
1902-3 .	United King- dom	41,454,621	£ 31,255,500	s. d. 15 1	
	New South	1901.	1900.		
	Wales .	1,352,509	47,831	0 81	
	Victoria .	1,199,068		1 Onearly.	
	Queensland. South Aus-	496,596	34,796	1 42	
	tralia Western Aus-			0 11	
	tralia . Tasmania .	182,553 172,475	4,732 4,970	0 6½ 0 7nearly.	
	Totais:— Australia	3,765,805	169,324	0 101	
	New Zea- land .	772,719	20,924	0 61	
30-6-99.	Canada . Newfound-	5,312,500 210,000	Ŋii .	Nil.	
	land Cape of Good	538,000	Nil	Nil.	
	Hope (White).		30,000	1 11	£30,000 paid an- nually towards expendi-
1898 .	Natai .	53,688	12,000	4 5‡	ture of Imperial Government. £12,000 paid in iteu of 12,000 tons of coal.
81-3-99.	*India	216,710,483 Europeans 168,000	413,747 (for year 1900)	-	

^{2. *:} Includes £1.00,000 contribution towards H.M. Ships on East Indies Station, and £61,600 subsidy to Admiralty for manning and maintaining H.M. Ships for Naval defence of India.

APPENDIX 'A. 1.'

Table showing the Annual Cost of Maintenance, exclusive of first cost of building, of the British Squadrons in I.—Atlantic Ocean; II.—Eastern Seas and Pacific Ocean:

I.—Atlantic Ocean

North America and West Indian Cape of Good Hope South-East Coast of America	:	£330,000 396,000 76,000
Total		£802,000

II.—Eastern Seas and Pacific

China .					£1,430,000
East Indies					303,000
Australia			•		312,000
Total	Eastern Seas				£2,045,000
	Pac	ific	•	•	202,000
	Tot	al			£2,247,000

5. RIGHT HON. H. H. ASQUITH'S ADDRESS AT THE FIRST MEETING OF THE IMPERIAL CONFERENCE OF 1911

Mr. Asquith: Gentlemen, Colleagues, I offer you, in the name of his Majesty's Government, a most grateful and cordial welcome, and I express at the outset of our proceedings a hope which you will all share, that the deliberations of this, the first Imperial Conference, may conduce, in the language of the prayer which we are accustomed to offer for the High Court of Parliament, to the 'safety, honour and welfare of our Sovereign and his Dominions.'

Four years have passed since some of us who are here to-day took part in the Colonial Conference of 1907. Even in such a relatively short lapse of time notable gaps have been created by the calls of mortality and the accidents of poli-The name of my lamented pretical fortune. decessor, Sir Henry Campbell Bannerman, who opened the Conference of that year, will always be associated in the history of the Empire with the grant of full self-government to the Transvaal and the Orange River Colonies, with the result that we have with us at this table to-day not (as then) the representatives of separate South African States, but the Prime Minister of the Union of South Africa. And barely a year ago

our beloved and illustrious Sovereign, King Edward VII, to whom in 1907 we owed and gave a whole-hearted allegiance, was suddenly taken from the Empire which he served so faithfully and loved so well, leaving behind him the best inheritance which any Monarch can bequeath to his successors—the memory of great purposes worthily pursued, and the example of a life which was directed and dominated by a tireless sense of duty, and an unquenchable devotion to the peoples committed to his charge.

You will join with me, I am sure, in offering, as our first corporate act, our homage to King George V, and the assurance of our fervent hope, and firm belief, that in his reign the British Crown will continue with untarnished lustre to be the centre and the symbol of our Imperial unity. It is, indeed, a happy coincidence that the time fixed for our deliberations will enable the foremost statesmen of the self-governing Dominions and Colonies to take a personal part in the solemnities, shared in spirit and sympathy by the whole Empire, which will attend the Coronation of the King and Queen.

It is natural, and I hope not inopportune, that on such an occasion I should invite you to survey with me, for a few moments, the stage of development which we have now reached in the evolution of that unique political organism which is called the British Empire. I am not going to trouble you with statistics of area, population, production, interchange; interesting and impressive as the figures might be made.

There have been, in the past, Empires which

(like our own) were widespread, populous, rich in material wealth, the prolific breeding ground of art and science and literature. But this Empire of ours is distinguished from them all by special and dominating characteristics. From the external point of view it is made up of countries which are not geographically conterminous or even contiguous, which present every variety of climate, soil, people, and religion, and, even in those communities which have attained to complete self-government, and which are represented in this room to-day, does not draw its unifying and cohesive force solely from identity of race or of language. Yet you have here a political organization which, by its mere existence, rules out the possibility of war between populations numbering something like a third of the human race. There is, as there must be among communities so differently situated and circumstanced. a vast variety of constitutional methods, and of social and political institutions and ideals. to speak for a moment for that part of the Empire which is represented here to-day, what is it that we have in common, which amidst every diversity of external and material conditions, makes us and keeps us one? There are two things in the selfgoverning British Empire which are unique in the history of great political aggregations. The first is the reign of Law: wherever the King's writ runs, it is the symbol and messenger not of an arbitrary authority, but of rights shared by every citizen, and capable of being asserted and made effective by the tribunals of the land. second is the combination of local autonomy-

absolute, unfettered, complete—with loyalty to a common head, co-operation, spontaneous and unforced, for common interests and purposes, and, I may add, a common trusteeship, whether it be in India or in the Crown Colonies, or in the Protectorates, or within our own borders, of the interests and fortunes of fellow subjects who have not yet attained, or perhaps in some cases may never attain, to the full stature of self-government.

These general considerations. Gentlemen, familiar as they are to all of you, may not be wholly out of place when we are contemplating in advance the work which is set before this Imperial Conference. In the early Victorian era, there were two rough-and-ready solutions for what was regarded, with some impatience, by the British statesmen of that day as the 'Colonial problem.' The one was centralization—the government, that is, except in relatively trivial matters, of all the outlying parts of the Empire from an office in Downing Street. The other was disintegrationthe acquiescence in, perhaps the encouragement of, a process of successive 'hivings off' by which, without the hazards or embitterments of coercion. each community, as it grew to political manhood, would follow the example of the American Colonies, and start an independent and sovereign existence of its own. After 70 years' experience of Imperial evolution, it may be said with confidence that neither of these theories commands the faintest support to-day, either at home or in any part of our self-governing Empire. We were saved from their adoption—some people would say by the favour of Providence—or (to adopt

a more flattering hypothesis) by the political instinct of our race. And just in proportion as centralization was seen to be increasingly absurd, so has disintegration been felt to be increasingly impossible. Whether in this United Kingdom, or in any one of the great communities which you represent, we each of us are and we each of us intend to remain, master in our own household. This is, here at home and throughout the Dominions, the life-blood of our polity. It is the articulus stantis aut cadentis Imperii.

It is none the less true that we are, and intend to remain, units indeed, but units in a greater unity. And it is the primary object and governing purpose of these periodical Conferences that we may take free counsel together in the matters which concern us all. Let me select one or two illustrations from the agenda which have been

suggested for our deliberations here.

There are, first of all, proposals put forward from responsible quarters which aim at some closer form of political union as between the component members of the Empire, and which, with that object, would develop existing, or devise new, machinery, in the shape of an Advisory Council, or in some other form. I need not say that, in advance of the discussions which we are about to have, I pronounce no opinion on this class of proposals. I will only venture the observation that I am sure we shall not lose sight of the value of elasticity and flexibility in our Imperial organization, or of the importance of maintaining to the full, in the case of all of us, the principle of Ministerial responsibility to Parliament. Of a cognate

character are the questions raised as to the future constitution of the Colonial Office, and in particular as to the segregation and concentration of the work appropriate to the Dominions from the other work of the Department. Under this head I trust that his Majesty's Government may be able to put forward suggestions, which will be acceptable in themselves, and prove fruitful in practice. I will refer to one other topic of even greater moment—that of Imperial Defence. years ago, in pursuance of the first Resolution of the Conference of 1907, we summoned here in London a subsidiary Conference to deal with the subject of Defence, over which I had the honour The results achieved—particularly to preside. in the inauguration of the policy of Dominion Fleets adopted by Canada and Australia-are of a far-reaching character. The recent visit of Lord Kitchener to Australia and New Zealand has given a further impetus to the spirit of selfreliance in matters of Defence in those two great Dominions. We adopt different systems in the raising and recruiting of our defensive forces in the different parts of the Empire. Everywhere and throughout, the object is not aggression, but the maintenance of peace, and the insurance against loss and destruction of the vast social and material interests of which we are trustees. in the highest degree desirable that we should take advantage of your presence here to take stock together of the possible risks and dangers to which we are or may be in common exposed; and to weigh carefully the adequacy, and the reciprocal adaptiveness, of the contributions we are respectively making to provide against them. I shall propose that (following the precedent created in 1909) these matters should be discussed in the Committee of Imperial Defence, with the assistance of the advice of its expert members, at meetings at which the Dominions will be represented by their Prime Ministers, and the Ministers directly concerned in naval and military defence. At the first of these meetings (which will, of course, like all of them, be of a confidential character) Sir Edward Grey will attend, and will speak to us on the international situation, so far as it affects the Empire as a whole.

Gentlemen, I have purposely, in this brief introduction to our proceedings, left out of account a large number—the largest number—of the topics which will be submitted for our consideration. There are sitting at this table to-day six Prime Ministers, all holding their commission from the same King, and all deriving their title to its exercise from the voice and vote of a free democracy. We are all of us, I suppose, in our own Parliaments party leaders, holding and using power by virtue of the confidence of a party majority. But each of us, when he entered this room, left his party prepossessions outside the door. For us to-day, and throughout this Conference, there is, I believe, one spirit and one purpose—to make the Empire, in all its activities. and throughout all its parts, a more complete and effective instrument for the furtherance of our corporate unity and strength along the old, well-trodden, but ever lengthening and widening road, of British liberty.

6. IMPERIAL FEDERATION—RT. HON. SIR JOSEPH WARD'S SPEECH AT THE IMPERIAL CONFERENCE OF 1911

I HAVE endeavoured to impress upon the Conference the enormous changes in the relationship between the self-governing oversea Dominions and the Mother Country, which have been consequent upon the rapid growth and the extension of the Dominions; and in this connexion I also impress the obvious fact that the rapidity of that growth and extension, already seen, will continue at an even accelerated speed in the future.

These changes, I submit, demand a change in the Imperial relationship heretofore existing between the United Kingdom and her self-governing dependencies.

The people of these dependencies are not yet citizens of the Empire. This full franchise as yet has not been conferred, and the whole question is—Is not the time now ripe for the consideration of conferring it?

The question becomes urgent and emphatic when we remember that at least two of the greatest of these Dominions have in some measure already embarked upon a naval policy of their own—a course to which the Motherland has offered no objection. I, as representing New Zealand, of course do not, and could not, offer any

objection, though I am entitled to discuss and criticize the course taken, in order to emphasize the need of some Imperial Council properly accredited to co-ordinate and harmonize these policies of naval defence, and of the still greater

question of naval supremacy.

Does the Conference fully appreciate what has happened so quietly, because the relations between the Motherland and Canada have been so harmonious? Canada has, in recent years, grown into a strong nation—no longer in a state of tutelage, sheltering behind the protection of the Motherland. Canada, feeling that she has passed through infancy to full manhood as a nation, has originated and made law a naval scheme for the creation and maintenance of a local navy, a navy not only to be maintained and controlled by the Canadian Government, but a navy which is not to participate in an Imperial war unless Canada herself approves of that war.

Under the existing system, the rest of the Empire, consequently, might be at war, and the Canadian Navy withheld from it, and inactive. But I want to impress the fact that the Empire cannot be at war and Canada at peace at the same time. Any war to which the statesmen of the United Kingdom commit the Empire involves Canada, as well as New Zealand, and all other portions of the Empire, and from the point of view of international law Canada is as much a part of the Empire as England.

I would ask the Conference to look facts broadly and candidly in the face, and if independent naval policies, such as I have referred to, are to continue on the part of the oversea Dominions, I express the sincerest conviction of my mind when I say that this does not make for a strong position in connexion with the Imperial ties being maintained, upon which, in my opinion, the whole Empire's material interests now rest.

I have explicitly called the scheme I propose to outline an Imperial Parliament of Defence. Defence is above all other questions the one in which every part and subject of the Empire is

vitally concerned.

The President (Mr. Asquith): Just a moment. The words used in your Resolution are: 'An Imperial Council of State'; you spoke just now of an Imperial Parliament of Defence. I do not find any such phrase in the resolution.

Sir Joseph Ward: I do not mind what the name is—an Imperial Council of State or an Imperial Parliament of Defence, or a Defence Council.

The President: They are practically synony-

mous, you think?

Sir Joseph Ward: Yes. Perhaps I ought to use the term Imperial Council of State. Defence is above all other questions the one in which every part and subject of the Empire is vitally concerned. It is the great vital topic which can be treated only by a proper Council of State. I am going to assume that this is obvious, and I will not occupy the time of the Conference by arguing the matter. But I want to express my firm conviction that the course both Canada and Australia have taken is one which the present relationship between them and the Motherland almost compels them to take.

If Canada were to contribute to the Imperial Navy the very large sum she has provided on her estimates for a building programme, a naval college and annual maintenance, amounting to some millions of pounds sterling—if she were to contribute this or any other great sum yearly to an Imperial Navy, and the question of war or peace arises, she would find herself with no more voice, under the present system, in determining whether the Empire should go to war or not than if she were the smallest dependency of a Foreign Power. Consequently, under the existing system and on these assumptions, Canada would not only witness herself being committed to all the perils of warfare, but she would witness the ships and armaments created out of her great contributions devoted, without her consent or approval, without the right to a voice at all to the perils of belligerency.

I have taken Canada merely as an illustration; but under the existing system every other oversea Dominion would be in precisely the same

situation.

New Zealand is, at present, content to make an unconditional annual contribution of money to the Imperial Navy. As time proceeds, and as our means increase, we look forward to substantially increasing this aid; but what I desire to impress at this moment is the point that if the whole of the oversea Dominions are to place themselves under tribute to the Imperial Treasury for the creation and maintenance of an Empire Navy, they surely are entitled to some voice—proportioned, it may be, to their size and

contribution—in such a vital question as peace or war.

Consequently, it seems to me that the question of an Imperial Council of State, or Defence, more vitally concerns the United Kingdom than it does the oversea Dependencies; Canada, Australia, South Africa, and New Zealand can, and cheerfully will if necessary (of course, I am speaking entirely on behalf of New Zealand), go on under the existing system providing for their own defence in the way which seems best to them; but can the United Kingdom survey such a course with complacency under the growing burdens which the maintenance of her naval

supremacy imposes?

In this great concern of Imperial Defence must there not be some kind of partnership between all parts of our Great Empire? I hope it will not be regarded in any way as rudeness for me to say that England, witnessing as she has, and does, the magnificent growth in strength, wealth. and numbers of these oversea Dominions, will not forget that she does not, as in the earliest days of their existence, possess them-they are no longer Crown Colonies. They create with her an Empire, and, allowing for power and numbers, they belong to that Empire just as she does. is a family group of free nations, England is the first among the free nations, and, consequently, changes during the last three-quarters of a century, in my opinion, demand that the old relation of 'mother to infants' should cease. The day for partnership in true Imperial affairs has arrived, and the question which now emerges is-upon

what basis is that partnership to rest? It certainly cannot rest upon the present relationship. No partnership deserves the name which does not give to the partners at least some voice in the most vital of the partnership concerns; and what I am endeavouring to bring out is: how is that voice to be heard and how is it to be made effective?

I desire to avoid any minor controversial questions at this time; but I am entitled to express, as I do now, my profound conviction that, if there had existed some true Imperial Council of State in which defence could be dealt with-I attach no importance to the name, whether it is an Imperial Council of State or an Imperial Parliament of Defence, or an Imperial Council-the separate naval policies of the two great Dominions to which I have already referred, would be to-day. if not non-existent, at least more completely harmonized and made integral with the Imperial Navv. In other words, had such a council existed. I am satisfied that, for the expenditure these two great countries have committed themselves to, more efficient protection would have been given by means of an Imperial scheme than by those which have been devised.

I trust that the members of the Conference will realize—and I want to avoid dogmatism in this matter—that I am expressing my personal opinion, as I have a right to do, and I feel quite sure that the representatives of none of the other Dominions, even those to which I am referring, will take exception to what I believe to be my duty in a matter of this kind, for naturally it is

done in a strictly imperial sense, and without in any way whatever reflecting upon the loyalty of those great countries.

I cannot avoid keeping before me the whole time, in connexion with this important question of defence, the difficulties of regulating and controlling it. I recognize to the fullest possible extent the all-important question of the protection of the commodities and of the ships that cross the seas between the respective countries; the more I have thought over this important matter from time to time and since I had the honour of first coming to this Conference, the more I realize the tremendous responsibility devolving upon all portions of the oversea Dominions in connexion with the protection of British ships, British goods and British people travelling over the seas great distances between the respective portions of the Dominions. To a very material extent in my opinion, the local protection, however good it may be, for the separate portions of the Dominions concerned is not sufficient, is not adequate, and does not meet the condition of protecting the conveyance of oversea products to anything like the extent that it ought to do.

For these reasons I recognize how difficult it is in a matter of this kind to expect any of the representatives of the oversea Dominions to rediscuss a line of policy which has already been assented to by them. My own view of the matter is, that we should have an impartial and effective organization created which would allow all portions of our British Empire to review what is necessary for the self-preservation of themselves and the protection of all portions of it on sea as well as on land; and, in my opinion, that can only be brought about by some organization created with the good-will, not of the representatives at this Conference alone, but, finally, of the people in the respective countries concerned. I emphasize this because nothing that is suggested by me, or nothing that is carried by this Conference can be put into actual effect (so far as New Zealand is concerned I speak absolutely) without ratification by Parliament, and without, in turn, Parliament recognizing that that ratification has to be endorsed in the ordinary way by the people at the elections which take place from time to time.

Now, in connexion with the arguments that I am placing before the Conference upon this question of an Imperial Council of State, I consider that the different roads that the respective portions of the Dominions have taken regarding what they conceive to be best from their respective standpoints in the matter of naval defence—I would rather call them lines of national divergence—must, in my opinion, diverge more and more as these oversea Dominions develop to their full stature, unless British statesmen will set themselves to promote an Imperial partnership and some system of Imperial representation upon which, to my mind, such true partnership can alone subsist.

If there is any spirit of reluctance on the part of the Motherland, the oversea Dominions—or, at least, New Zealand, for which I speak—will certainly not desire to obtrude themselves with

this or similar proposals; but if we recognize that the hands of the Mother Country are stretched out to us inviting a closer grasp by us, that closer grasp will follow and the deep and genuine spirit of closer union will dissolve the difficulties and rise superior to all the obstacles in the way of an articulate and organized unity. What is first wanted is the will; the way, I am satisfied, can be found. If the United Kingdom desires an Imperial partnership and it meets with the concurrence of the oversea Dominions, then I believe it is the proper function of the Conference, with the eminent statesmen of the Motherland here at this table, to join with myself and those who think with me in encouraging and assisting to devise a workable scheme.

Mr. Asquith in his opening speech spoke eloquently of the development of our Empire along the broad ways of British liberty and in this connexion emphasized the elasticity and flexibility which marked our constitution and our institutions. I recognize as fully, I hope, as he how true those words are. A rigid constitution does not suit the genius of our people, but a rigid constitution is one thing and the entire absence of any definite Imperial system is another. I recognize that there must be given up by the constituent self-governing parts of the Empire to any central Imperial Council only such power as is absolutely necessary to deal with questions essentially imperial in their nature, questions which cannot be dealt with satisfactorily or at all unless through collective deliberative action, and I would make the framework of the Imperial

Parliament of Defence or Imperial Council of State as elastic as is consistent with efficiency and durability; but I am impressed with the belief that some such framework we must have. Mr. Asquith rightly preferred to ascribe the majestic development of the Empire rather to the genius of our nation than to the favour of Providence. I admit that there is a Divinity that shapes national destinies; but that Divinity can be profoundly assisted by the intelligent thought, foresight, and ingenuity of wise statesmanship, and I believe there never was a time in our history when a more splendid field has opened to that statesmanship than the present.

If we admit that the fate of the oversea Dominions, so far as living under the British Flag is concerned, is dependent upon Britain's supremacy on the seas, then we must admit that the defence of the Pacific (and in connexion with the defence of the Pacific, I include Australia and New Zealand in that term) is as important as the defence of the Atlantic Possessions or of the Motherland itself. I am not mixing up in any sense whatever, in the proposals which I am about to submit to the Conference, anything in connexion with the land forces of the respective portions of the Empire; because I recognize-

Mr. Fisher: May I interrupt? I understood by the earlier part of your speech that co-opera-

tion in every way was involved. Sir Joseph Ward: No; uniformity of system in every possible way in connexion with the land forces I believe to be desirable, but I am not suggesting, in connexion with the defence of the

Empire, that there should be any interference by any one portion of it with any other in the matter of the system or of the methods of control of the local land forces.

The President: Is that to be excluded from the jurisdiction of the proposed Imperial Council?

Mr. Fisher: It must be under those words.

Sir Joseph Ward: That, I believe, should be left entirely with the Governments of the respective portions of the Dominions, who should make their land forces efficient in every possible way.

The President: That would still be a local matter.

Sir Joseph Ward: It would still be a local matter, because my belief is that in the event of a war arising, upon the sea particularly, every portion of the British Dominions is concerned for the protection of each of the other portions of the Dominions, and as part and parcel of the scheme of defence in all parts of the British Empire will, I have no doubt, in their respective administrations carry out the requisite conditions for making effective land forces. The protection of the interior of the respective portions of the Dominions is not, from the point of view of cooperation, by any means so important as the all-important question of naval defence of the sea routes of the Empire with its difficulties, in many respects much greater than those of the land defence system. For instance, I take it that the Commonwealth of Australia, or the Dominion of Canada, or the Union of South Africa, or New Zealand itself, will in their respective Governments carry out upon land that scheme which

they believe to be best calculated to support and protect their respective possessions and to support the first line of defence, namely, the Imperial British Navy.

In order to make the point clear, in New Zealand we will shortly be able to turn out 80,000 trained men in addition to those men who from time to time form part of the ordinary reserve forces-not in the strict sense of the term a reserve force, but men who, while following their ordinary avocations, have qualified themselves to take part for the purposes of effective land defence. We expect to have a mobile land force of fully 80,000 men very shortly, and we hope to have for overseas work a very considerable number, 5,000 to 10,000, trained men, only to go outside of New Zealand voluntarily. So that from the point of view of protection of our own country, we ought to be able to make it impossible for a foreign foe, if one should ever attempt it, to land on our shores.

That is one of the matters we are able to carry out without the co-operation of any other portion of the British Dominions or of the British Empire. But we are not able to do more than give our support in such a way as we think best in the matter of the Empire Navy; we are only able to do our individual part, and we may at any time under the present system, as I have already said, be drawn into war or certainly the results of the war without consultation, without our people having a voice in it, whether we like it or not. 'We are immediately concerned in the results of any war upon the sea that may take place

between Great Britain and any other country; we are concerned just as much as Great Britain is although our interests are not as great. So. in my opinion, is every other portion of the British Empire; and it is with the object of co-ordination and co-operation and having a voice, even although in a minority, upon an Imperial Council of State, that I have ventured to put forward this resolution. It is with the object of allowing our people in our countries, who recognize their responsibilities and are prepared to accept them under existing conditions, to have some representation upon the Imperial Council. It is from the point of view of our people having no voice at present and there being no representative body appointed which can voice the sentiments of the Government of the day or of the people of New Zealand, that I am urging that it is necessary that we should effect some change as against the present system, which has done very well up to now, but which, with the evolution, with the growth and with the development that is going on in various portions of the British Empire, does not, in my opinion, meet the present position as it should do.

I want to take this opportunity of alluding—and doing it without offence to the people who are in the East—to the policy of New Zealand in connexion with the Asiatic questions. I would like to dispel any wrong impression as to the reason why the policy of New Zealand is averse to admitting Asiatics, even including those who belong to a nation in alliance with Great Britain. The basis of the policy of New Zealand is, that

all the rights of citizenship are conferred upon every adult within our shores. We are entirely governed by our own people; we have spent millions of money up to date in educating them and to a very large extent at the State expense, to enable them to discharge the duties of citizenship; and why we object to allowing a large number of Asiatics into our country is because, in the first place, we believe them to be entirely unfitted for the duties of our citizenship. As regards one great Eastern nation, we know in our country, and I presume it is within the knowledge of every man here, that the people of these nations are under obligations, enforced by oath, in the event of war arising, to take the side of their parent land even against the country they have made their home.

Now in connexion with this all-important matter of an Imperial State Council, I want again to emphasize the fact that, underlying the proposals I am submitting, I place the Defence of the Empire as of the first consequence to all parts of it. That is why from the point of view of New Zealand I for one look forward with very great hope to the possibility, without in any way derogating from what any of the representatives of the oversea Dominions in the past have done, of naval co-ordination and co-operation, and of having a larger and more powerful oversea Navy than exists at present, with a view to preventing eventualities in the future; and also with the more important view, perhaps, of making for the peace of the whole world.

In the country I represent, we regard this

Asiatic question as of intense importance. We realize the fact that we are not very far away from these Eastern countries, and we also recognize that there is tremendous room in our countries. unless we are excessively careful, for the introduction of many millions of people whom we would not desire to have within our territory at all. In suggesting for the consideration of this Conference an alteration which I know is difficult to bring about, and which I realize and want to say at once cannot be done in a hurry, I do not believe, myself, that we can have the full benefit of a great Empire naval system under existing conditions. I recognize the very powerful condition of the British Navy; but, I believe, out in our own seas (and I say this in the presence of the representative of the Australian Commonwealth) that the system Australia is carrying out is not by any means the strongest one nor the cheapest one, and consequently not the most effective one, that can be established for the benefit of their country.

Mr. Fisher: Which system do you mean, the new one or the old one?

Sir Joseph Ward: I mean the new one, the sea one; I am not dealing at present with the land one, which I believe to be as fine as possible. My belief is, that if we could only get rid of the present method of disjointed action, if we could have some recognized system to which we were all agreed, if we could lay down a comprehensive system for the purpose of defence, some of the minor difficulties which stand in the way of the respective countries, and some of the major diffi-

culties also which stand in their way, could be overcome and a much more effective system brought into operation than at the present time exists. I believe, myself, that if we had a system by which the whole of our countries gave a per capita contribution towards the cost of naval defence (and again I say I do not refer to land defence at all) we should meet all the local conditions in the different countries by having ships built there, by having naval docks built there. by having everything excepting the armament of ships provided in our respective countries. I believe we could do it far more effectively by giving a per capita contribution, and so help to protect our own countries and the oversea routes, which is not being done at present, and which, in my opinion, cannot be done by the present method. If we could arrive at a decision to adopt a per capita contribution from the respective countries the outcome would be a British Navy so powerful that the world would stand at peace probably for generations to come. Surely it is a matter worthy of the greatest consideration on the part of a conference such as this to bring about, if it is possible to do so, such a consummation?

Sir Wilfrid Laurier: Will you permit me an interruption here?

Sir Joseph Ward: Certainly.

Sir Wilfrid Laurier: Would this be in conjunction with your Imperial Council?

Sir Joseph Ward: Yes.

Sir Wilfrid Laurier: Are the two things not quite apart, and could you not give contributions to-day without having an Imperial Council? I

do not see the relevancy of it to the idea you are

expounding.

Sir Joseph Ward: I suggest that the Imperial Council is the only way of providing that the voices of the different countries may be heard through their constitutionally elected representatives. The Imperial Council is the only way, I will not say, to go back upon the policy of any of the Dominions, but it is the only way in which, in my opinion, a uniform system of co-ordination and co-operation can be achieved. That is my view.

Sir Wilfrid Laurier: But that is quite independent of the policy of contributions.

Sir Joseph Ward: I hope to show presently

exactly what my proposal is.

Mr. Batchelor: You would have legislative power?

Sir Joseph Ward: It would require legislative

power to enable it to carry out its functions.

The President: That is very important. Is it proposed that this Council should have legislative powers?

Sir Joseph Ward: I intend to explain presently

what I think it should have.

The President: Mr. Batchelor asked the question, and I understood you to say yes.

Sir Joseph Ward: Yes, I propose that it should

be created by legislation.

The President: Created by legislation, yes; but to have legislative power is a different thing.

Sir Joseph Ward: And that its powers should

be defined by legislation.

Mr. Fisher: I understand you to say that it

would have legislative powers as a constitutional body.

Sir Joseph Ward: Perhaps it would be more convenient if you would wait until I explain what

it is I suggest should be done.

The President: While we are on the point that Sir Wilfrid Laurier put, which I should like you to give us a little further explanation about, the proposition which I understand you are making contemplates, when the Imperial Council is brought into existence, the establishment of a policy of what is called naval contributions on the part of all the different parts of the Empire. That would involve, would it not, the reversal of the new departure, as I might call it, which has taken place, certainly in Australia and Canada, of having separate local navies of their own. You contemplate that as a desirable possibility?

Sir Joseph Ward: I contemplate that the power should be given to the Imperial Council, which would, of course, include representatives from Canada and Australia, of providing uniformity of system as far as the sea defences of the Empire

are concerned.

Sir Wilfrid Laurier: That would mean that the Council would fix the policy of Canada.

The President: It would impose a system. It is important that we should have that clearly in our minds.

Mr. Fisher: Would it have the power of coercion by a legislative Act or otherwise?—that is the point.

The President: We shall come to that presently. Sir Joseph Ward: I wish to make some further

observations in connexion with the defence of the Empire, and then I propose to show what I believe to be the way in which the different parts of the Empire should proceed in order to establish a system of government in connexion with defence matters that would conduce to the best interests of the whole.

Mr. Pearce: May I say this before you proceed? I understand that there is to be a meeting to discuss the question of naval co-operation? The President: To-morrow.

Mr. Pearce: I would point out to Sir Joseph Ward, that the remarks which he is now making will call for a reply, certainly from the representatives of Canada and Australia, because he is attacking the principle of a local navy, and in some way he is connecting it with an Imperial Council. I understand the interpolation by Sir Wilfrid Laurier was to get an understanding as to whether that was a condition of the Council; and I think we should have some assurance upon that point, otherwise we shall be compelled to defend the policy we are putting forward, and this seems not to be the time to defend it.

Sir Joseph Ward: I want to say at once that I am here, as I presume the other delegates are, for the purpose of freely discussing all matters affecting the Empire as a whole. I do not suppose for a moment that Mr. Pearce suggests that I am going to defer my observations upon matters of Imperial consequence to the portion of the world I represent until we get where I recognize secrecy is necessary upon some matters. I am fully cognisant of the fact that anything I am

saying here is subject to criticism, perhaps of the most destructive character, from any other representative at this Conference; but that is no reason whatever for its being suggested that I should not address to the Conference any line of argument which I consider necessary.

Mr. Pearce: I think it necessary, in fairness to us, that we should know if that is put forward by

you as a condition of the Council.

Sir Joseph Ward: By the time I have finished, I will have endeavoured to make myself as clear as I possibly can, and, of course, I quite recognize that what I am saying calls for a reply from other representatives here. I also recognize that, perhaps, the views I entertain may not be in accord with those of any other member of the Conference. But you will also realize that, even though he should stand alone, that fact should not deter one from expressing his sincere opinions upon matters which he considers to be of sufficient importance for every member of the Conference to discuss.

I must say, Mr. Asquith, that I am not attacking—I want to make that quite clear—either the Dominion of Canada or the Commonwealth of Australia. Quite the contrary. I recognize that the responsibility for the policy of those countries rests entirely with the Governments of the respective countries. I am trying, what I admit to be a difficult task, to point out how I believe the whole strength of the naval protection across the seas, irrespective of the sea-coast of all our countries, could be made very much stronger, and how the protection of all parts of the Empire could

be made better by abandoning the present divided system. And my belief is that the only way in which that change could be brought about is by the creation of some authorized Council of Defence or Council of State, with the representatives of Great Britain, Canada, Australia, South Africa. New Zealand, and Newfoundland upon it, and giving them the necessary powers to deal with the question of naval defence, and of naval defence only, and the right to be consulted before they are committed to a war policy which may be necessary in the best interests of the Empire as a whole. The overseas Dominions are bound to be a minority of such a council, I recognize; but it is because to-day the people are not consulted, and cannot be consulted under the existing system, that I am putting forward this proposition. I recollect Sir Wilfrid Laurier himself on one occasion stating that Canada would have no voice in a matter of the kind, and that for that reason he took exception to proposals to have but one British Navy. I think that is a strong position to take up, and it is one I take up myself.

Sir Wilfrid Laurier: The point of my observation was that you are advocating the creation of an Imperial Council.

Sir Joseph Ward: Yes.

Sir Wilfrid Laurier: You are advocating at the same time contributions. I do not see the relevancy of your argument towards the object which you have in view in addressing the Conference as to the Imperial Council. Contributions can be given to-day if any of the Dominions choose to do so. You have done it; other parties have

refused to do so. Therefore I do not see the relevancy of it, except it also involves that this Imperial Council which you propose would have the power to fix the contribution, to which, for

my part, I would very seriously object.

Sir Joseph Ward: In reply to Sir Wilfrid Laurier, Mr. Asquith, the point I want to make clear is this. It is quite true that any one of the oversea Dominions to-day may give a contribution; but they may withhold it; and it is quite true that in the event of any portion of the British Empire being drawn into a war, that one portion of the Empire might say, 'I am not going to take part in it,' and they need not give a contribution, although under international law I think they could not avoid having the responsibility of being a belligerent put upon them. What I want to bring about is a uniformity of system for the preservation of the whole of our overs a interests.

Sir Wilfrid Laurier: That is to say, the Imperial

Council could compel us.

Sir Joseph Ward: We should fix a basis upon which a contribution should be levied for sea defence in the general interests of the whole.

The President: Your suggestion is that the Imperial Council, unless it is to be a mere academic thing, is to have the power of imposing that obligation?

Sir Joseph Ward: Quite so.

The President: Even on a dissentient Dominion?

Sir Joseph Ward: Mr. Asquith, at the present moment if England went to war all the oversea Dominions are directly affected by the results, and that could happen without the slightest reference to either an assenting or a dissenting Dominion.

The President: We cannot get a contribution to the Navy without the assent of the Dominion. Sir Joseph Ward: But you can involve them

in war.

The President: That is another matter. I am speaking now of the naval contribution. Canada has never given us a naval contribution.

Sir Joseph Ward: I know that is so.

The President: And we have never attempted to exact one from her. Of course, we know our business better than that. I only want to understand, and I think the members of the Conference want to understand, what the length and breadth of the proposal is. Is it that, so far as regards what you call the uniform naval system, it should be in the power of this new body to impose in invitum, against a particular Dominion, a policy of contribution to which that Dominion would not voluntarily assent?

General Botha: And fix the amount? The President: And fix the amount.

Mr. Fisher: By a benevolent revolution, I

suppose?

Sir Joseph Ward: As a matter of fact, if the proposal is to establish an ineffective, nominal council which is going to hold out to the eye the prospect of doing something of interest to the Empire as a whole, if we are not to establish something that has got some power to do good to the Empire as a whole, it is far better to drop the whole thing. That is my opinion; we have to consider whether the time has not arrived, in the

general interests of Great Britain and the whole of our oversea Possessions, when we should not have some uniformity of system of contribution, or whether it is to be left to the voluntary decision of those oversea countries whose requirements for protection by the British Navy are becoming greater every year. If we are not to have some effective system, then, as far as my judgement goes, all the efforts to bring about co-ordination and co-operation are to a very large extent in vain and a drifting apart must inevitably ensue.

I want to say again, and to emphasize it, that I am not foolish enough not to recognize that the proposals I am making are surrounded with very great difficulties. I realize that from the start; but that does not deter one from making them, if he believes something in the direction he is advocating is desirable and that it may, in the future at all events, be brought into operation. For that reason my opinion is that there ought to be established an Imperial Council or an Imperial Parliament of Defence, in the interests—

Sir Wilfrid Laurier: There is a difference between a council and a parliament. What do you propose, a parliament or a council? I want a proper definition of what you mean, because you have proposed neither so far.

Sir Joseph Ward: I prefer to call it a Parlia-

ment of Defence.

Sir Wilfrid Laurier: Very well.

The President: That is a very different proposition to the one in your resolution. Your resolution is 'An Imperial Council of State,'—nothing about defence—'advisory to the Imperial

Government.' It is limited, as I understand the

resolution, to giving advice.

Sir Wilfrid Laurier: When it is started it is to be a parliament: who is going to elect that parliament?

Sir Joseph Ward: I will presently explain it.

The President: All I say is that that is not the

resolution in any of those particulars.

Sir Joseph Ward: I would point out that the resolution is 'with representatives from all the

self-governing parts of the Empire.'

Sir Wilfrid Laurier: But you say 'Council.' Is it a council, or is it a parliament? It is important we should know exactly what is the proposal.

Sir Joseph Ward: I prefer to call it a parlia-

ment.

Sir Wilfrid Laurier: Very good, then; now we understand what you mean.

Sir Joseph Ward: I prefer to call it a parliament, although I admit there is a good deal in the name.

Sir Wilfrid Laurier: There is everything in the name.

Mr. Fisher: Would it not be as well to amend your resolution on those lines?

Sir Joseph Ward: No, I do not propose to amend it; if it is necessary afterwards I should have no objection.

Sir Wilfrid Laurier: You propose a council in your resolution; but you advocate a parliament.

Sir Joseph Ward: You can call it a council if you like.

The President: We want to know what you call it.

Sir Joseph Ward: It is a Parliament of Defence that I am suggesting. I have no objection to its being called by any suitable name. I think perhaps at this juncture I will state my proposal—and then later on I will deal with one or two of the matters I was going to refer to just now.

I indicated in my opening remarks on Tuesday, that I would ask the Conference to deal with Imperial unity; organized Imperial Defence; equitable distribution of the burdens of defence throughout the Empire; representation of selfgoverning oversea Dominions in an Imperial Parliament of Defence for the purpose of determining peace or war; contributions to Imperial Defence; foreign policy so far as it affects the Empire: International treaties so far as they affect the Empire; and such other Imperial matters as may by agreement be transferred to such Parliament. I suggested that the principles of the scheme should be: '(1) That Canada, Australia, South Africa, New Zealand, and Newfoundland elect to an Imperial House Representatives for naval Defence, one representative for each 200,000 of their respective populations; that is (approximately) Canada 37. Australia 25, South Africa 7, New Zealand 6, Newfoundland 2. That is a total of 77.

Mr. Malan: You have only taken the European population, then?

Sir Joseph Ward: Entirely so, the white population.

Mr. Malan: 'Why?

The President: You do not make any allowance for the coloured population?

Sir Joseph Ward: I understood that when you were framing the South African Constitution you refused to give the coloured population there the right to vote. Speaking generally, you could hardly expect, in connexion with an important proposal such as this, that a departure should be made so different to what has been carried out in South Africa, and, speaking generally, in some other countries too. However, that is a matter that can be discussed perhaps in connexion with the proposals. I am dealing with the white population, and the white population only. (2) That the mode of electing the representatives be left in each case to the determination of each of the oversea Dominions.

Mr. Batchelor: Sir Joseph, how would the Imperial Government be represented upon that?

Sir Joseph Ward: Perhaps if you will allow me to proceed I can explain; I must take these points in their sequence: (3) That the United Kingdom elect representatives on the same basis—that is one for every 200,000 of the population; that is, say, 220 members. That the total members of this Imperial House of Representatives thus—

The President: What would that add up to? Sir Joseph Ward: 300. (4) That the term for which they are elected be five years. (5) That the United Kingdom, Canada, Australia, South Africa, New Zealand, and Newfoundland each elect two representatives to be members of an Imperial Council of Defence, thus providing a Council of 12.

Sir Wilfrid Laurier: Out of that representation?

Sir Joseph Ward: No, I am dealing with the Senate, which is to be elected for such term and in such manner as each of these divisions of the Empire shall determine.

The President: With a Council of 12 the United

Kingdom would have two?

Sir Joseph Ward: Yes.

The President: And the Dominions are to have 10?

Sir Joseph Ward: That is the same principle as exists in all Federal Governments.

The President: You treat them as separate States?

Sir Joseph Ward: Perhaps if you would allow me, I might go on to the functions of this Council.

(6) That the functions of this Council are to be limited and to be mainly consultative and revisory.

(7) An executive to consist of not more than 15, of whom not more than one be chosen from the members of the Senate. '(8) That there be transferred to this Imperial Parliament of Defence exclusively:—(a) Those matters common to the whole Empire—that is, all those in which every part of it is alike interested.

Sir Wilfrid Laurier: Will that be concerning

defence only, or everything?

Sir Joseph Ward: It is to deal with defence in times of peace and war, that is Imperial Defence.

Mr. Pearce: Shipping? Sir Joseph Ward: No.

Mr. Fisher: I understood you to call it an Imperial Parliament of Defence; that is one of the difficulties we meet with. This is going to deal with general subjects and the difficulty of it is, that you stated definitely just now that it would be an Imperial Parliament of Defence.

Sir Joseph Ward: So far as the name is concerned, that is so. After you have heard what I suggest, if the name is in any way anomalous to the proposals contained in it, I have not the slightest objection to changing it. There is no trouble about the name so far as I am concerned; but I want to try and indicate what I believe would be a good thing if it could be carried out.

Mr. Fisher: I am very sorry to interrupt you, but the point is this: this is a select body from Members of Parliament called specially to deal with defence, I understand, and now you are trenching on to other subjects besides defence.

Sir Joseph Ward: No.

Mr. Fisher: I beg your pardon.

Sir Joseph Ward: (a) Only in regard to those matters common to the whole Empire—that is, all those in which every part of it is alike interested. I am dealing with naval defence. (b) Those matters which can be satisfactorily undertaken only by the Empire as a whole. Including:—(1) Peace and war treaties and foreign relations generally.

Sir Wilfrid Laurier: Does that treat with com-

merce?

The President: It is not defence.

Sir Joseph Ward: It is all bearing on defence.

Mr. Fisher: I do not understand it in that light.

Sir Joseph Ward: I will try to make it as clear

as I can.

The President: It is to have exclusive control

over the Empire as a whole in all questions involving peace or war.

Sir Joseph Ward: That is so, with England

reigning supreme upon it.

The President: The new body is to have that exclusive power of treaties and foreign relations too.

Sir Joseph Ward: (1) Peace and war treaties and foreign relations generally. (2) Imperial Defence and the providing of the revenues for the foregoing purposes and for the general support

of this Imperial proposal.

(A) For the first 10 years after the first election of this Parliament, it shall have no power of taxstion, but the amount payable by each of the oversea Dominions represented as its proportion of the revenue required for the purposes I have indicated shall be deemed to be a debt due by each Dominion and shall be raised and paid by that Dominion to the Exchequer of the Imperial Parliament of Defence. (B) At the expiration of 10 years such amount shall be raised and paid in such manner as the respective Dominions agree to. (c) This Imperial Parliament to determine the amount to be contributed by the overseas Dominions for the following purposes: (1) Imperial Defence, (2) War. The amount to be contributed by the oversea Dominions estimated per capita of population, not to exceed 50 per cent, of the amount (estimated per capita of population) contributed by the United Kingdom for these purposes; but for all other purposes the contributions shall be on an equal per capita basis. This is dealing entirely with defence, and with the

Imperial relations, and with the relations that are closely allied with defence of those matters which may bring the whole Empire into a war.

Mr. Pearce: Would you mind repeating the proportions? I did not catch your figures as to the proportion they should contribute.

Mr. Fisher. The United Kingdom twice the

amount of the oversea Dominions.

Sir Joseph Ward: That is so; the amount to be so contributed for Imperial Defence and War shall, estimated per capita of population, not exceed 50 per cent. of the amount (estimated per capita of population) contributed by the United Kingdom for these purposes; but for all other purposes the contributions shall be on an equal per capita basis. And the reason for that must be obvious: at present the British interests are so very much greater than those of the outlying Possessions that it is only a fair proposition to concede that there should be a difference as between them, and I believe the difference suggested here is not an unfair one.

In submitting this matter, I have not interfered—and I do not propose now, except so far as to indicate what is passing through my mind, to interfere—in any way in connexion with the politics of the Homeland. I have not done so at any time, and in anything I am stating here I am stating it only from the point of view that I believe that circumstances in the future will call for it as being required to enable the great work of Empire to be carried on successfully. What I am indicating here presupposes in the United Kingdom a completed system of local autonomy for the

national divisions of the Kingdom, each, including England, having its own Parliament-

The President: What we call Home Rule all

round.

Sir Joseph Ward: Yes. Of course, I am not discussing the pros and cons of it, but what I am suggesting here presupposes that a system of that kind will be brought into being; and, if I may be allowed to say so, in my opinion, as one who is perhaps entitled to express his opinion in connexion with a matter of this kind, it appears to me to be a necessity in connexion with the development that has taken place both in the Old World and in its relationship to the outlying portions of it, and to other important countries, too, that such a system should be brought into being.

Presupposing that that alteration should be made, as an outcome of that alteration, necessarily there would be a tremendous change made in the Old Country in connexion with the present Imperial Parliament. As I have said, what I am suggesting presupposes developments taking

place in the old land in that respect.

Sir Wilfrid Laurier: You propose a new Parliament to be elected by all the Dominions?

Sir Joseph Ward: For defence only.

Sir Wilfrid Laurier: That can be done without any alteration of the present constitution of the United Kingdom. I cannot see the logic of your position. You propose a new Parliament on top of what we have already?

Sir Joseph Ward: No. In my opinion, Sir Wilfrid, with all due deference to you, any proposal of this kind presupposes an alteration in the Homeland to a federal system, and in connexion with that federal system there must of necessity be a change in the numbers of the great Houses that represent Great Britain and Ireland at the present time. In other words, if there are created in different portions of the British Isles separate Parliaments for local government, it stands to reason some alteration would take place in the larger ones that exist for the whole of Great Britain at the present time. I believe, in connexion with federation for naval defence purposes of the oversea Dominions, that it is necessary to presuppose an alteration in the United Kingdom itself on some such lines as I have described.

The President: I do not want to interrupt you, but for the sake of making it clear as you go along I want to see how we stand. We in the United Kingdom will have to consider how it would affect us. You presuppose what is called Home Rule all round here, that is to say, the delegation to local bodies of all local concerns in England, Scotland, Ireland, and Wales.

Sir Joseph Ward: Yes.

The President: Is your new Imperial Parliament of Defence (I merely ask for information), then, to step into the shoes of the old Imperial Parliament?

Sir Joseph Ward: Yes, at any rate ultimately. The President: It is to exist side by side with it?

Sir Joseph Ward: If desired, but I want to develop a true Imperial Parliament.

The President: But side by side with it?

Sir Joseph Ward: Yes, if you want it for the

purposes I have named.

The President: The old Imperial Parliament will still go on, under your scheme, representing the different constituent elements in the United Kingdom?

Sir Joseph Ward: If you had separate Parliaments existing for Scotland, England, Wales and Ireland on their own account, to a very considerable extent you would alter the position of the old Imperial Parliament and it might be merged ultimately, at least, in the new one.

The President: We should relieve it of a good deal of business which at present it transacts.

Sir Joseph Ward: Besides the point I am making, in presupposing that the United Kingdom establishes Home Rule all round as you call it—I have called it creating separate parliaments for local government—

The President: I use the popular expression.

Sir Joseph Ward: I call it creating parliaments for the different nationalities in the Kingdom, and, if you did that, I apprehend you must make a material alteration in the Imperial Parliament consequent on a change of that kind. I am not demanding the taking away of any of the powers of the present Imperial Parliament, although I think it should be merged in the new one for the Empire, or of any of the powers of the overseas Dominions' Parliaments. I am suggesting that in naval defence matters for the Empire as a whole, if the people in New Zealand (I will deal with New Zealand alone) are to take their responsibilities, which they are doing now to some

extent, in connexion with the general defence of the Empire, including the protection of New Zealand, they are entitled to some representation on some body that has got the power of saying when New Zealand should go into war, although we recognize that the British representatives would settle it every time because they would be in the majority. We to-day, however, have no voice of any sort or kind, and I am suggesting that some body should be created upon which the people of New Zealand and all the other Dominions could be represented. It is possible that the proposals I am making may not fit in with the existing conditions; but I believe they ought to be capable of being put into shape with a view to help all portions of the Empire. I am suggesting an Imperial Parliament of Defence, as I call it, for the purpose of helping to make the defence of the Empire as a whole stronger than it is to-day. I want to make it absolutely invulnerable for all parts of the British Empire.

What I am trying to do does presuppose that there is a completed system of local autonomy for the national divisions of the United Kingdom, and then all portions of the Empire would be in a similar position from the point of view of their local Governments as far as the local autonomy is concerned. That, this local autonomy fully established, a true Imperial Parliament, which at first could be limited to foreign policies, defence, and peace or war, should be set up, the local governments to have the powers they have now.

Mr. Brodeur: Except with regard to Naval Defence

Sir Joseph Ward: Except with regard to Naval Defence, that is so.

Mr. Brodeur: As to Naval Defence, you do not want to recognize the local autonomy of the

different parts of the Empire?

Sir Joseph Ward: No. In the matter of oversea Naval Defence, my argument is that there is no portion of the British Possessions at the present time—certainly, as far as the United Kingdom is concerned, it applies less to them than to any other portion of the British Possessions—which can deal with the matter of oversea defences effectively without the co-operation and goodwill of all parts of the Empire. What I want to see brought about is some system to enable that to be done. I call it an Imperial Parliament of Defence.

Sir Frederick Borden: Naval Defence, I think you mean.

Sir Joseph Ward: Naval Defence, as I have

already stated.

The President: It is not to deal with military matters, I think you told us before.

Mr. Fisher: But it is to deal with treaties, I

understand.

Sir Joseph Ward: Certainly treaties, because they necessarily affect defence.

Mr. Fisher: That is a very important item.

Sir Joseph Ward: The question of treaties, as a matter of fact, has a very large bearing on the possibility of troubles affecting all portions of the Empire.

Mr. Fisher: It is as big as the other.

Sir Joseph Ward: Yes, it is. At all events I

am submitting this proposal because I am impressed with the fact that to-day in reality the oversea Dominions are helpless. I have no hesitation in saying in the presence of other representatives here that I am certain they are all prepared to accept their responsibilities in connexion with defence matters; but, as a matter of fact, they are all helpless and they know nothing. I speak for New Zealand, and though we take our part quite willingly we know nothing whatever as to the possibilities of troubles arising that we are bound to be drawn into. But as British countries. with people of various nationalities in them, we have come to a point when a change is necessary if we are to have our people with us in taking our part in connexion with the general defence of the Empire. We must have some alteration of the present disjointed so-called system. That is what I am trying to arrive at, and what I am hopeful that something may be done in connexion with. I recognize to the full the truth of what Mr. James Bryce, the British Ambassador in America, says upon this point of central control as against divided control in distant portions of the Empire. He says that: 'The great principle applicable '---

The President: What are you quoting from-

Sir Joseph Ward: Yes. 'The great principle applicable in every branch and art of government is that the more power that is given to the units which compose an empire, be these units large or small, and the less that is given to a central or imperial authority, so much the fuller will be

the liberty and so much greater the energy of the individuals who compose the people as a whole.' I agree with those sentiments absolutely, and, apart from any of the proposals I make to this Conference, that is the spirit that underlies the proposals I am making; the motive I have endeavoured, however imperfectly, to explain to the members of the Conference.

Now I want just to say one word upon what I believe, if we had a properly constituted authority, our respective Dominions, as far as the people are concerned, would be favourable to, namely, what might be done in the matter of general Naval Defence, without loss of local dignity to any Dominion, without any loss of prestige, and still would, I believe, be of superior advantage to the individual portions of the Empire, especially to the Old World, and would go towards making the peace of the world assured. I spoke of the absence of uniformity of system by which a contribution could be made for naval purposes. I know what is being done in Canada, I know what is being done in Australia, and I recognize the enormous amount the Old Country is doing quite irrespective of all our Dominions in every possible way. I recognize, too, the large share the British taxpayer has taken in contributing towards the general support of the oversea Dominions as far as Naval Defence is concerned, and what they have done so magnificently and cheerfully in the past.

I believe we ought as far as the white people in our respective countries are concerned, to have a uniform system of contribution—and I want to make that clear—for Naval Defence. Upon the basis of 13 millions of white people (and there are more than that—I am not overstating it) in the British Dominions, if we were to give for Naval Defence 10s. per capita we would provide £6,500,000 a year, and if our annual amount of £6,500,000 was put into the purchase of battleships (I call them Dreadnoughts for the purposes of my argument) at £2,000,000 each, there could be provided for out of the annual contribution three Dreadnoughts per annum. But as a matter of practice, I think I ought to say, Mr. Asquith, that although it may be done occasionally the building of battleships is not generally provided for out of revenue.

The President: We do it here, you know.

Sir Joseph Ward: Not always.

Mr. Fisher: Our proposal is always revenue, and no other policy will ever be tolerated.

Sir Joseph Ward: I am going to state what my opinion is, because I am of the opinion that at times considerable sums are used other than out of revenue for the purpose of providing armaments.

The President: As to the battleships and munitions of war, we have done such things, I agree; but our normal practice is to provide for the construction of ships entirely out of revenue.

Sir Joseph Ward: However, for the purposes of my argument, three Dreadnoughts certainly could be provided for yearly out of the annual revenue. But supposing, in order to place them in a position of supreme invulnerability and of absolute safety from every point of view, by co-operating with the British Navy, all these

oversea Dominions, instead of waiting for a period of 20 years with a gradual expenditure only of a very considerable sum of money yearly, decided as a matter of policy to borrow at once the necessary money to equip their territories with a practically impregnable naval defence system; this could be done out of the £6.500,000 a year upon the basis I have suggested. I conceive that by this means such a position could be simply and efficiently arrived at within five years from now. Twenty-five Dreadnoughts at £2,000,000 each would amount to 50 million sterling, and the annual per capita contribution would, upon a basis of 6 per cent., including 3 per cent. for sinking fund, ensure that every one of them would be paid for in 15 years. In Australia, for instance— I am saying this, as my friend Mr. Fisher will recognize, with all respect-

Mr. Fisher: Yes, I quite admit that.

Sir Joseph Ward: In Australia, for instance, with all its Eastern possibilities, instead of having a minimized or ineffective fleet to meet the requirements of the great Commonwealth for protective purposes, ample protection would be afforded in a comparatively short period. To build up their own navy will take many years, with an enormous burden, in proportion to its population, in the interval placed on the people of the Commonwealth; but if a proposal of the kind I am suggesting (if any voluntary system which is suggested can be brought about, well and good, but I do not believe it can) were given effect to, what would the position be in Australia, in Canada, in New Zealand, South Africa, and New-

foundland? Why, by making provision for the repayment of those 25 Dreadnoughts if the vessels could be supplied within five years from now, every point of those Possessions would be in a position for defensive purposes absolutely unsurpassed by any other part of the world.

Mr. Fisher: But, Sir Joseph, if you will allow me to interrupt, you would have no fleet at all

at the end of fifteen years. Sir Joseph Ward: Why?

Mr. Fisher: Because it would be scrap iron

then, and you would only have paid for it.

Sir Joseph Ward: I do not agree with you, Mr. Fisher, because I want to point out that if you provide for depreciation at the rate of 3 per cent., which I am suggesting on the establishment of the fleet——

Mr. Fisher: Fifteen years?

Sir Joseph Ward: Yes, and if any vessel went out altogether at that period you would have replaced her out of sinking funds that had accumulated because you would be providing for depreciation all the time. According to your argument, your railways ought to have been scrap iron twenty-five years ago.

Mr. Fisher: No.

Sir Joseph Ward: Your Houses of Parliament ought to have been out of existence twenty-five years ago, if that argument is a sound one.

Mr. Fisher: You cannot keep a fighting ship in permanent repair; the Admiralty will tell you

that.

Sir Joseph Ward: 'As a matter of fact they are kept in repair now. Even on the 10s. per capita

basis, I am suggesting the utilization of only half the amount that would be given per annum for the purpose of providing the interest and sinking fund, and warships that would be up-to-date could be built in your own country with great promptitude compared to what is being done now, and this would make for early protective efficiency, without having the uncertainty that an inadequate fleet must create if its building up is extended over a long period of years.

Mr. Fisher: I only say that I think it is a

faulty calculation.

Sir Joseph Ward: In my opinion, where you are providing for the full redemption of debt in a period of years, the argument my friend Mr. Fisher is putting forward is not a sound one, because the same principle applies to replacements. If you provide a sinking fund for the complete restoration of anything within a given period, there can be no such thing as it being out of existence at the end of the time, otherwise no railway system would exist after a period of years has passed by. They would all disappear.

Sir Wilfrid Laurier: Railways are producing revenue and they are therefore replaced all the time; but warships do not produce any revenue.

Sir Joseph Ward: Railways are built out of capital borrowed and not out of revenue, but out of that revenue there should be a sinking fund established and continual repair on the railways should be effected out of revenue also.

Sir Wilfrid Laurier: Yes, out of revenues of the railway. There is no possible comparison between the two things.

Sir Joseph Ward: I do not agree, because the 10s. per capita that I suggest takes the place of the ordinary revenue received from any commercial department such as railways. However, I want to place on record my view on this matter, and to say that in my opinion a position of enormous strength, with at least three of the most powerful battleships, could be provided for Australia, that six of them could be provided for Canada for dealing with both the Pacific and Atlantic coasts. that three of them could be provided for South Atrica, if South Africa required them, although I know they are in a similar position to New Zealand in the matter of their naval defences, two could be provided for New Zealand and one for Newfoundland, and all the subsidiary vessels that make up fleet units could be provided for all those countries. In addition ten Dreadnoughts could be added promptly to the British Navy, and all this could be done entirely by the oversea Domminions out of the proposal which I am speaking of at the present moment.

Mr. Batchelor: That policy could be adopted

now, could it not?

Sir Joseph Ward: If you could tell me, Mr. Batchelor, what machinery there is in existence to enable all of the oversea countries and the Motherland to adopt a uniform policy in the matter of naval defence to make an invulnerable Empire Navy, no suggestion of mine is necessary; because at the present time we do not act together—for instance, Sir Wilfrid Laurier holds a pronounced view in one direction, and I do not hold the same view with him; the Commonwealth of Australia

holds a different view; if it comes to individual attempts to act on the part of the respective countries, then how could we possibly act together?

Sir Wilfrid Laurier: We must have a body above us to force us to be good boys and pay our

share while the superior body spends it.

Sir Joseph Ward: If the people of our respective countries were empowered to elect representatives to a corporate body for the preservation of their interests round their own coasts and the sea routes, if that is called a superior body to the people themselves, then I admit that your argument is right. But what I am suggesting is that the same people who create the individual Parliaments should elect their representatives and have a voice in the matter of their protection, and also upon the point of going to war or otherwise; that they should have a voice in the creation of a system which is going to be really of value to them.

Sir Wilfrid Laurier: That is a very different

position.

Sir Joseph Ward: That is what I am suggesting, and I know the difficulties surrounding it; I apprehend the difficulties fully, but I suggest this as one way, and, if any other gentleman at this Conference can suggest as good or a better way, I would be only too happy to support it. But at present I say this—with all respect to every portion of the British Dominions—individually, though we are involved when Great Britain has a fight for the supremacy of the seas, we have no voice at all, we are helpless.

The President: I should like, if I may, to ask

you this question. You say this proposed body is to have a voice—I suppose you mean a decisive voice—in the question of peace or war. How is that to be worked out practically? Are we to have a debate on the question of whether or not the Empire shall go to war, at which everybody is to speak, with a division, and so on—300 members?

Sir Joseph Ward: I have not suggested anything of that sort.

The President: That is your suggestion—the only suggestion before the Conference.

Sir Joseph Ward: I have not suggested any-

thing of the kind, with all due deference.

The President: Then I do not understand it.

Sir Joseph Ward: I have suggested an executive of fifteen, and if there was an executive of fifteen I apprehend that they would accept the full responsibility of doing whatever they thought proper as representing the Imperial Council of Defence.

The President: Is the executive of fifteen to be elected by or responsible to the parliamentary body?

Sir Joseph Ward: Entirely so.

The President: Then they are the ultimate arbiters?

Sir Joseph Ward: Yes. The fifteen members of the executive, or whatever the number of the executive might be fixed at, would be representative of all portions of the British Empire even although no man outside of Great Britain was on the executive. Then if the people of the several portions of the Empire selected representatives they would have no right to complain, as they

have to-day, that they have no voice, even although I recognize that they would be in a minority under the new system. They have no voice or say at present in connexion with matters in which they are deeply concerned, and I do not suggest a one-sided proposal because I advocate the oversea Dominions contributing 10s. capita.

The President: What is to be the position of the Imperial Government? Where does it come in? Are they to conduct negotiations with Foreign Powers up to the point when there is a possibility of a rupture, and then is your executive to come in to determine whether or not we are to go to war?

Sir Joseph Ward: They would have 220 members from Great Britain.

The President: I am speaking of the executive. The British Cabinet, at present, is responsible for the conduct of our relations with foreign countries. We carry on, of course with all the secrecy that diplomacy requires, these negotiations in the interests of the Empire as a whole. We get to a point, or we might conceivably get to a point, in which it was a question whether or not there should be a rupture between us and a great Foreign Power. At present the Cabinet decides that on its own responsibility. Parliament dismisses them if they are not satisfied that they have acted rightly. What I want to know from you isso as to understand the proposition, whether it amounts to this: that at that point, the negotiations having been conducted up to that point by the British Cabinet, it is then to hand over the

determination of the question of peace or war to your new executive, responsible to the Parliament of Defence? I do not ask in any hostile spirit; I only want to know if that is the proposal?

Sir Joseph Ward: My answer to that, Mr. Asquith, is that the executive suggested in this would be an executive representing in the same proportions the British people as are now represented by the British public in the Imperial Parliament. There would, of course, be a preponderance of British representatives upon that body which would carry on everything you are suggesting with the same secrecy.

The President: How then would you be better

off than now?

Sir Joseph Ward: Because now we have no voice or say.

The President: Your voice, as you say, would always be overruled: You say it is an essential factor of the arrangement that the British should always be in a vast preponderance.

Sir Joseph Ward: That does not get over the fact that none of the British Dominions are represented directly or indirectly at the present time.

The President: I wanted to see what the effect would be.

Sir Joseph Ward: I think the people of the oversea Dominions are entitled to representation in connexion with such far-reaching matters. I recognize that representation does not mean control—very far from it; if it meant control I should say that your view of the matter was abso-

lutely unanswerable. The control still remains with the British people.

The President: I am not putting any view in

opposition; I only asked you the question.

Sir Joseph Ward: I know. In matters of naval defence I believe sincerely the whole position could be made impregnable as far as the oversea Dominions are concerned, providing for them all the advantages they get by having anything in the shape of local navies. The whole of the building operations could be carried out without any difficulty, naval construction yards could be provided in the several Dominions by a per capita contribution such as I have named. this means the distant countries might certainly hope to have, not an imaginative local navy that in all human probability would not be able to do what they required in times of stress, but they would have one that could beyond all question do what was necessary, and which, added to the present British Navy, would make it so powerful as to make the peace of the world absolutely assured. In other words, there would be all the advantages that now accrue, only greater in my opinion, to the local places. The building programme in the Dominions themselves to which they attach importance could be provided, with this material difference, that they would have effective and efficient naval strength at an early period, instead of, to put it mildly, an inadequate and uncertain strength being built up over a long period of years.

I have no hesitation whatever in saying with regard to this important question of the Declara-

tion of London (I am not going to discuss it now, of course) that if we had the position regarding the protection of the sea routes properly provided for at points from Canada, South Africa, Australia, and New Zealand, the Declaration of London, in my opinion, would be a matter of absolutely no consequence at all; because, after all, the whole thing comes back to the superiority of the British Navy in protecting the different parts of the sea routes of the world, to keep the routes open so as to enable the requisite food supplies to come to this Old Country.

The whole matter is a very important one; the protecting of the widespread and far-reaching interests of the British Empire is worth working for, and I say quite frankly that, even after discussion here, if this should not meet with the acceptation of any single member of the Conference, I will still continue to hold the view that the present position is not right, that an important alteration is necessary. I think I am further right in expressing the opinion that, as the years go on, the voice of the great democracies in the overseas Dominions will not be stopped from advocating that where they are expected, and rightly so, to share in the responsibilities of the troubles that may ensue connected with any war affecting the stability of the British Empire, they are entitled, as a matter of right, not as a matter of appeal, to have some say, even although they be in a minority, upon some properly constituted body that is going to decide the question as to whether there is to be peace or war. My opinion is that they ought to have some representation,

and that it ought to be upon a basis that will meet with the general approval of the people of Great Britain and the oversea Dominions.

I will not discuss the matter any further, Mr. Asquith, excepting to say that I know that no scheme for bringing about Imperial unity, that no scheme for establishing a system of organized Imperial Defence, that no scheme for the equitable distribution of the burdens of Defence throughout the Empire, and that no scheme for the representation of the self-governing oversea Dominions in an Imperial Council or Parliament of Defence or for the purpose of dealing with the matters I have suggested, can be brought about in a hurry. I recognize that the proposals I have made are far from perfect, but I believe as certainly as that we men are sitting round this Conference table that the future will call for an alteration, in the direction at least of what I am suggesting. The growth of these oversea Dominions on attaining the proportions they will within a limited period of years from now, will be such that with the kindliest feeling, with the deepest ties of affection to the old world, the people who are free, independent, and recognize all the values of British institutions, and who value to the full the tremendous protection they have received as the outcome of the payments of the British taxpayers to the coffers of the British Treasury in the general interests of the people in the Old Land as well as the people in the distant portions of the Empire—I say, notwithstanding all that you will find that the strength of those rising oversea democracies in future will be such that their peoples will call for

representation, they will call for a voice in determining the all-important question of peace or war, how they are to bear their proportions and how they are effectually to help in establishing a system of naval defence that will go for maintaining the solidarity of the Empire as a whole, and in reality will go for bringing about and continuing that which every civilized community desires, the peace of the world.

GENERAL BOTHA'S CRITICISM

Mr. President, I have listened with the greatest interest to the speech which has been delivered by my friend the Prime Minister of New Zealand, and although I highly appreciate the spirit in which he has brought ferward his proposal I am sorry to say that I cannot agree with him.

I am sure that every one of us is equally anxious to knit the various parts of the British Empire together as closely as possible, and that any practical scheme to attain this object would receive our most cordial support, and our Imperial Conferences are held with that object.

We must not, however, look upon these Conferences as affording in the first place an opportunity for the passing of a number of resolutions which will be carried into effect throughout the Empire—if we do this I am afraid that we shall be disappointed—I look upon these Conferences with very different views. I consider that they are of the greatest possible value in periodically

bringing together the governments of the Empire and enabling them to discuss matters of common interest.

Even if we were not formally to pass a single resolution, I should be very far from saying that our Conference had been a failure. We would all return to the several parts of the Empire having heard each other's views on most important questions, and we would all be able to work towards the attainment of one common ideal.

These conferences have already been of the greatest value, and I am convinced that they are in a great measure responsible for the greater unity of the Empire, which we have undoubtedly already attained since they were first organized.

These conferences are undoubtedly an important step in the right direction, but I have grave doubts whether an Imperial Council such as proposed would bring us nearer to our object.

I have asked myself whether this proposal which has been brought forward is a practical one. No one can feel more than I do, that as often as the British Government has to deal with matters which may affect a particular part of the Empire, it is essential that the particular Dominion concerned should have an opportunity of being heard and of expressing its views. After the most careful consideration, however, I have come to the conclusion that this object cannot satisfactorily be attained through an Imperial Council such as proposed in this resolution. How is such a Council to be appointed? Who will decide what matters must come before it? What authority is to be

vested in it? To what representative body is such a Council to be responsible? These are only a few of the questions which crop up immediately, and it seems to me that no satisfactory reply can be given to them. If any real authority is to be vested in such an Imperial Council, I feel convinced that the self-governing powers of the various parts of the Empire must necessarily be encroached upon, and that would be a proposition which I am certain no Parliament in any part of the Empire will entertain for one moment.

If no real authority is to be given to such a Council, I fear very much that it would only become a meddlesome body which will continually endeavour to interfere with the domestic concerns of the various parts of the Empire, and cause nothing but unpleasantness and frictionin fact, the very opposite of what we desire. I feel certain that, with the political genius which characterizes the British race, a solution of this difficult problem will ultimately be evolved. may be that the time will arrive when a body will come into existence upon which the various parts of the Empire are represented by men elected by the people of the Empire, and it may be that in years to come these Imperial Conferences which we are holding to-day will be looked upon as a link in the long chain of evolution of such a body. But that day has not arrived yet, and we must not try to force the pace unduly. If our Imperial Conferences are not quite as satisfactory as we might wish them to be, then let us do our best to make them more so.

But what are we asked to do now? It would

probably mean, I submit, the creation of some body in which would be centralized authority over the whole Empire. Now this would in my mind be a step entirely antagonistic to the policy of Great Britain which has been so successful in the past and which has undoubtedly made the Empire what it is to-day. It is the policy of decentralization which has made the Empire-the power granted to its various peoples to govern themselves. It is the liberty which these peoples have enjoyed and enjoy under the British Flag which has bound them to the Mother Country. the strongest tie between the Mother Country and the Dominions, and I am sure that any scheme which does not fully recognize this, could only bring disappointment and disillusionment. I fear that the premature creation of such an Imperial Council as is suggested would—rather than bring the different parts of the Empire closer togethertend to make the connexion onerous and unpleasant to the Dominions. Let us beware of such a result. Decentralization and liberty have done wonders. Let us be very careful before we, in the slightest manner, depart from that policy. It is co-operation and always better co-operation between the various parts of the Empire which we want, and that is what we must always strive for.

I have very seriously considered this proposal, but I cannot come to any other conclusion than that the objections against such a scheme are far weightier than any benefits which may arise therefrom, and I regret, therefore, that I shall not be able to record my vote in favour of it.

MR. ASQUITH'S CRITICISM

I should inform the Conference, for I promised to do so, that I received some weeks ago a memorial signed by a very large number of the Members of the Imperial House of Commons-I think something like three hundred belonging to various parties in the State (it was not at all confined to one body),—which was in these terms: 'We the undersigned Members of Parliament, representing various political parties, are of the opinion that the time has arrived to take practical steps to associate the oversea Dominions in a more practical manner with the conduct of Imperial affairs; if possible, by means of an established representative council of an advisory character in touch with public opinion throughout the Empire.' I promised to communicate that resolution to the Conference, and at the same time I informed the gentlemen who were good enough, on behalf of the signatories, to present it to me, that while his Majesty's Government had the strongest sympathy with any practical step for bringing into closer communication the Imperial and overseas Governments, yet when it came to anything in the nature of the setting up of new political or constitutional machinery, a condition precedent must be that the change had the unanimous consent of the Dominions themselves, and the gentlemen who represented the memorialists concurred or appeared to me to concur in that view. At the same time I think it only right and proper that the Conference should be aware that such a memorial was presented. Does it not also show

how much easier a thing it is to express an abstract aspiration for something in the nature of closer political union than to translate that aspiration into practical terms?

Sir Joseph Ward, in a speech the ability and interest of which we all acknowledge, which must and undoubtedly did represent the expenditure of a great deal of time and thought, has presented us with a concrete proposition, but it is a proposition which not a single representative of any of the other Dominions, nor I as representing for the time being the Imperial Government, could possibly assent to. For what does Sir Joseph Ward's proposal come to? I might describe the effect of it without going into details in a couple of sentences. It would impair if not altogether destroy the authority of the Government of the United Kingdom in such grave matters as the conduct of foreign policy, the conclusion of treaties, the declaration and maintenance of peace, or the declaration of war and, indeed, all those relations . with Foreign Powers, necessarily of the most delicate character, which are now in the hands of the Imperial Government, subject to its responsibility to the Imperial Parliament. That authority cannot be shared, and the co-existence side by side with the Cabinet of the United Kingdom of this proposed body—it does not matter by what name you call it for the moment-clothed with the functions and the jurisdiction which Sir Joseph Ward proposed to invest it with, would, in our judgement, be absolutely fatal to our present system of responsible government.

That is from the Imperial point of view. Now

from the point of view of the Dominions I cannot do better than repeat in my own words what was said by Sir Wilfrid Laurier. So far as the Dominions are concerned, this new machine could impose upon the Dominions by the voice of a body in which they would be in a standing minority (that is part of the case), in a small minority indeed, a policy of which they might all disapprove, of which some of them at any rate possibly and probably would disapprove, a policy which would in most cases involve expenditure and an expenditure which would have to be met by the imposition on a dissentient community of taxation by its own government.

We cannot, with the traditions and the history of the British Empire behind us, either from the point of view of the United Kingdom, or from the point of view of our self-governing Dominions, assent for a moment to proposals which are so fatal to the very fundamental conditions on which our Empire has been built up and carried on. Therefore, with the highest possible respect, as we all have, for the skill and ability with which Sir Joseph Ward has presented his case, and a great deal of sympathy with many of the objects he has in view, I think we must agree that on its merits this proposal is not a practical one, and that, even if it were so, even if it could be shown to be so, the fact that it not only does not receive the unanimous consent of all the representatives of the Dominions, but is repudiated by them all except Sir Joseph Ward himself, is for the purposes of this Conference a fatal and, indeed, an insuperable objection to its adoption.

7. THE NAVAL AGREEMENT OF 1911

- 1. The naval services and forces of the Dominions of Canada and Australia will be exclusively under the control of their respective Governments.
- 2. The training and discipline of the naval forces of the Dominions will be generally uniform with the training and discipline of the fleet of the United Kingdom, and, by arrangement, officers and men of the said forces will be interchangeable with those under the control of the British Admiralty.
- 3. The ships of each Dominion naval force will hoist at the stern the white ensign as the symbol of the authority of the Crown, and at the jack-staff the distinctive flag of the Dominion.
- 4. The Canadian and Australian Governments will have their own naval stations as agreed upon from time to time. The limits of the stations are as described in Schedule (A), Canada, and Schedule (B), Australia.
- 5. In the event of the Canadian or Australian Government desiring to send ships to a part of the British Empire outside of their own respective stations, they will notify the British Admiralty.
- 6. In the event of the Canadian or Australian Government desiring to send ships to a foreign port, they will obtain the concurrence of the Imperial Government, in order that the necessary

arrangements with the Foreign Office may be made, as in the case of ships of the British fleet, in such time and manner as is usual between the British Admiralty and the Foreign Office.

- 7. While the ships of the Dominions are at a foreign port a report of their proceedings will be forwarded by the officer in command to the Commander-in-Chief on the station or to the British Admiralty. The officer in command of a Dominion ship so long as he remains in the foreign port will obey any instructions he may receive from the Government of the United Kingdom as to the conduct of any international matters that may arise, the Dominion Government being informed.
- 8. The Commanding Officer of a Dominion ship having to put into a foreign port without previous arrangement on account of stress of weather, damage, or any unforeseen emergency will report his arrival and reason for calling to the Commander-in-Chief of the station or to the Admiralty, and will obey, so long as he remains in the foreign port, any instructions he may receive from the Government of the United Kingdom as to his relations with the authorities, the Dominion Government being informed.
- 9. When a ship of the British Admiralty meets a ship of the Dominions, the senior officer will have the right of command in matters of ceremony or international intercourse, or where united action is agreed upon, but will have no power to direct the movements of ships of the other service unless the ships are ordered to co-operate by mutual arrangement.

- 10. In foreign ports the senior officer will take command, but not so as to interfere with the orders that the junior may have received from his own Government.
- 11. When a court martial has to be ordered by a Dominion and a sufficient number of officers are not available in the Dominion service at the time, the British Admiralty, if requested, will make the necessary arrangements to enable a Court to be formed. Provision will be made by order of his Majesty in Council and by the Dominion Governments respectively to define the conditions under which officers of the different services are to sit on joint courts martial.
- 12. The British Admiralty undertakes to lend to the Dominions during the period of development of their services, under conditions to be agreed upon, such flag officer and other officers and men as may be needed. In their selection preference will be given to officers and men coming from, or connected with, the Dominions, but they should all be volunteers for the service.
- 12. The service of officers of the British fleet in the Dominion naval forces, or of officers of these forces in the British fleet, will count in all respects for promotion, pay, retirement, &c., as service in their respective forces.
- 14. In order to determine all questions of seniority that may arise, the names of all officers will be shown in the Navy List and their seniority determined by the date of their commissions, whichever is the earlier, in the British, Canadian, or Australian services.
 - 15. It is desirable, in the interests of efficiency

and co-operation, that arrangements should be made from time to time between the British Admiralty and the Dominions for the ships of the Dominions to take part in fleet exercises or for any other joint training considered necessary under the Senior Naval Officer. While so employed, the ships will be under the command of that officer, who would not, however, interfere in the internal economy of ships of another service further than absolutely necessary.

- 16. In time of war, when the naval service of a Dominion, or any part thereof, has been put at the disposal of the Imperial Government by the Dominion authorities, the ships will form an integral part of the British fleet, and will remain under the control of the British Admiralty during the continuance of the war.1
- 17. The Dominions having applied to their naval forces the King's Regulations and Admiralty Instructions and the Naval Discipline Act, the British Admiralty and Dominion Governments will communicate to each other any changes which they propose to make in those Regulations or that Act.

June, 1911.

On the outbreak of war in 1914, the Australian naval forces, consisting of a Dreadnought, cruisers, destroyers, and submarines was placed under the control of the Admiralty.

8. THE NAVAL POLICY OF CANADA

Speech of Rt. Hon. R. L. Borden, in the Canadian House of Commons, December 5, 1912

RIGHT HON. R. L. BORDEN (Prime Minister) moved for leave to introduce Bill (No. 21) to authorize measures for increasing the effective naval forces of the Empire. He said:

Mr. Speaker, in addressing the House upon so important a subject as that which I propose to discuss, I shall speak in no controversial spirit. If a portion of my remarks may necessarily controvert opinions which have been expressed by hon. gentlemen on either side of the House, let it be understood that I do so, not by way of criticism, but purely for the purpose of giving frankly to the House the reasons which have led the Government to adopt the course which I shall now outline.

It is not necessary to dwell upon the increasing power and influence of Canada within the Empire, due to its remarkable growth and expansion, and to the wonderful and rapid development of its resources during the past quarter of a century. With this increasing power and influence there has necessarily come by sure and gradual steps a certain development in our relations with the United Kingdom and the other dominions. evolution of the constitutional relations within the Empire during the past half-century has not been less marked than its material progress. In this constitutional development we are necessarily confronted with the problem of combining co-operation with autonomy. It seems essential that there should be such co-operation in defence and in trade as will give to the whole Empire an effective organization in these matters of vital concern. On the other hand, each Dominion must preserve in all important respects the autonomous government which it now pos-Responsibility for the Empire's defence upon the high seas, in which is to be found the only effective guarantee of its existence, and which has hitherto been assumed by the United Kingdom, has necessarily carried with it responsibility for and control of foreign policy. With the enormous increase of naval power which has been undertaken by all great nations in recent years, this tremendous responsibility has cast an almost impossible burden upon the British Islands, which for nearly a thousand years have exercised so profound an influence upon the world's history. That burden is so great that the day has come when either the existence of this Empire will be imperilled or the young and mighty Dominions must join with the Mother Land to make secure the common safety and the common heritage of all. When Great Britain no longer assumes sole responsibility for defence upon the high seas, she can no longer undertake to assume sole responsibility for and sole control of foreign policy which is closely, vitally, and constantly associated with that defence in which the dominions participate. It has been declared in the past, and even during recent years, that responsibility for foreign policy could not be shared by Great Britain with the Dominions. In my humble opinion, adherence to such a position could have but one and that a most disastrous result. During my recent visit to the British Islands, I ventured on many public occasions to propound the principle that the great Dominions, sharing in the defence of the Empire upon the high seas, must necessarily be entitled to share also in the responsibility for and in the control of foreign policy. No declaration that I made was greeted more heartily and enthusiastically than this. It is satisfactory to know that to-day not only his Majesty's ministers but also the leaders of the opposite political party in Great Britain have explicitly accepted this principle and have affirmed their conviction that the means by which it can be constitutionally accomplished must be sought, discovered, and utilized without delay.

Before proceeding to declare and explain the proposals of the Government, I desire to call attention to certain remarks which I addressed to this House just two years ago in replying to inquiries as to the course we would pursue after attaining power. These remarks were as follows:

It may be fairly asked what we would do if we were in power to-day with regard to a great question of this kind. It seems to me that our plain course and duty would be this. The Government of this country are able to ascertain and to know, if they take the proper action for that purpose, whether the conditions which face the Empire at this time in respect of naval

defence are grave. If we were in power we would endeavour to find that out, to get a plain, unvarnished answer to that question, and if the answer to that question based upon the assurance of the Government of the Mother Country and the report of the naval experts of the Admiralty were such—and I think it would be such—as to demand instant and effective action by this country, then I would appeal to Parliament for immediate and effective aid, and if Parliament did not give immediate and effective aid I would appeal from Parliament to the people of the country.

Then, Sir, as to the permanent policy, I think the people have a right to be consulted. I do not know whether I have made my position clear, but I have done so according to my humble capacity. I think the question of Canada's co-operation upon a permanent basis in Imperial defence involves very large and wide considerations. If Canada and the other dominions of the Empire are to take their part as nations of this Empire in the defence of the Empire as a whole, shall it be that we, contributing to that defence of the whole Empire, shall have absolutely, as citizens of this country, no voice whatever in the councils of the Empire? I do not think that such would be a tolerable condition. I do not believe the people of Canada would for one moment submit to such a condition. Shall members of this House, representative men, representing 221 constituencies of this country from the Atlantic to the Pacific, shall no one of them have the same voice with regard to those vast Imperial issues that the humblest taxpayer in the British Isles has at this moment? It does not seem to me that such a condition would make for the integrity of the Empire, for the closer co-operation of the Empire. Regard must be had to these far-reaching considerations, a permanent policy would have to be worked out, and when that permanent policy has been worked out and explained to the people of Canada, to every citizen in this country, then it would be the duty of any government to go to the people of Canada to receive their mandate and accept and act upon their approval or disapproval of that policy.

The present Government assumed office on the 10th of October, 1911, and met Parliament on the 17th day of November following. It is hardly necessary to point out that there was no opportunity until after the close of the session to visit Great Britain or to consult the Admiralty in any effective way. Shortly after the session closed, I went to England accompanied by some of my colleagues, and for several weeks we had the opportunity from time to time of conferring with the British Government and of consulting with the technical and expert advisers of the Admiralty respecting the whole question of naval defence, and especially the conditions which confront the Empire at present and in the early future. I desire to express my warm appreciation of the manner in which we were received by his Majesty's Government, who took us most fully into their confidence on the great questions of foreign policy and of defence, and who accorded to us all relevant information at their disposal. A portion of this necessarily is of a very confidential character, which cannot be made public; but an important part will be communicated to the House in a document which I shall lay on the table this afternoon.

In considering the power of the British Empire to maintain that predominance upon the sea which is essential to its safety and to its very existence, it is clear that reference to the other naval forces of the world cannot be excluded. Such references and comparisons are frequently made by all the Great Powers, and they do not imply anything unfriendly in intention or in spirit to other nations.

Indeed, a most distinct reference to the naval power of Great Britain has been set forth in the preamble to the naval law of one great Empire which in recent years has sprung to the front with amazing rapidity in the development of its naval forces.

I now proceed to submit to the House the information which we have received from his Majesty's Government. It is in the form of a memorandum, as follows:

From the Secretary of State for the Colonies to his Royal Highness the Governor-General

> DOWNING STREET, October 25, 1912.

SIR.-I have the honour to transmit to your Royal Highness the accompanying copy of a memorandum relating to the requirements of the naval defence of the Empire.

2. This document has been prepared by the Admiralty on the instructions of his Majesty's Government in compliance with the request of Mr. Borden, with a view to presentation to the Dominion Parliament if, and when, the Dominion ministers deem it necessary.

> I have, &c., L. HARCOURT.

Prepared by the Board of Admiralty on the General Naval Situation and communicated to the Government of Canada by his Majesty's Government

1. The Prime Minister of the Dominion of Canada/ has invited his Majesty's Government, through the Board of Admiralty, to prepare a statement of the present and immediately prospective requirements of

the naval defence of the Empire for presentation to the Canadian Parliament if the Dominion Cabinet deem it necessary.

The Lords Commissioners of the Admiralty are prepared to comply and to supplement, in a form which can be made public, the confidential communications and conversations which have passed between the Admiralty and ministers of the Dominion Parliament during the recent visit to the United Kingdom.

The Admiralty set the greatest store by the important material, and still more important moral, assistance which it is within the power of Canada to give to maintaining British naval supremacy on the high seas, but they think it necessary to disclaim any intention, however indirect, of putting pressure upon Canadian public opinion, or of seeking to influence the Dominion Parliament in a decision which clearly belongs solely to Canada.

The Admiralty therefore confine themselves in this statement exclusively to facts, and it is for the Dominion Government and Parliament to draw their

own conclusions therefrom.

2. The power of the British Empire to maintain the superiority on the sea which is essential to its security, must obviously be measured from time to time by reference to the other naval forces of the world, and such a comparison does not imply anything unfriendly in intention or in spirit to any other Power or group of Powers. From this point of view the development of the German fleet during the last fifteen years is the most striking feature of the naval situation to-day. That development has been authorized by five successive legislative enactments, viz. the Fleet Laws of 1898, 1900, 1908, and 1912. These laws cover the period up to 1920.

Whereas in 1898 the German fleet consisted of:

25,000 men.

⁹ battleships (excluding coast defence vessels),

³ large cruisers, 28 small cruisers.

¹¹³ torpedo boats, and

maintained at an annual cost of £6,000,000, the full fleet of 1920 will consist of:

41 battleships,

20 large cruisers,

40 small cruisers,

144 torpedo boats,

72 submarines, and

101,500 men,

estimated to be maintained at an annual cost of £23,000,000. These figures, however, give no real idea of the advance, for the size and cost of ships has risen continually during the period, and, apart from increasing their total numbers, Germany has systematically replaced old and small ships, which counted as units in her earlier fleet, by the most powerful and costly modern vessels. Neither does the money provided by the estimates for the completed law represent the increase in cost properly attributable to the German Navy, for many charges borne on British naval funds are otherwise defrayed in Germany; and the German Navy comprises such a large proportion of new ships that the cost of maintenance and repair is considerably less than in navies which have been longer established.

3. The naval expansion of Germany has not been provoked by British naval increases. The German Government have repeatedly declared that their raval policy has not been influenced by British action, and the following figures speak for themselves:

In 1905 Great Britain was building 4 capital ships,

and Germany 2,

In 1906 Great Britain reduced to 3 capital ships, and Germany increased to 3.

In 1907 Great Britain built 3 capital ships, and Germany built 3.

In 1908 Great Britain further reduced to 2 capital

ships, and Germany further increased to 4.

It was not until the efforts of Great Britain to procure the abatement or retardation of naval rivalry had failed for three successive years that the Admiralty were forced in 1909, upon a general review of the naval situation, to ask Parliament to take exceptional measures to secure against all possible hazards the safety of the Empire. In that year, 8 capital ships were laid down in Great Britain, and 2 others were provided by the Commonwealth of Australia and the Dominion of New Zealand respectively—a total of 10.

4. In the spring of the present year the fifth German Navy Law was assented to by the Reichstag. The main feature of that law is not the increase in the new construction of capital ships, though that is important, but rather the increase in the striking force of ships of all classes which will be immediately

available at all seasons of the year.

A third squadron of 8 battleships will be created and maintained in full commission as part of the active battle fleet. Whereas, according to the unamended law, the active battle fleet consisted of 17 battleships. 4 battle or large armoured cruisers, and 12 small cruisers, it will in the near future consist of 25 battleships, 8 battle or large armoured cruisers, and 18 small cruisers; and whereas at present, owing to the system of recruitment which prevails in Germany, the German fleet is less fully mobile during the winter than during the summer months, it will, through the operation of this law, not only be increased in strength, but rendered much more readily available. Ninety-nine torpedo-boat destroyers, instead of 66. will be maintained in full commission out of a total of 144: 72 new submarines will be built within the currency of the new law, and of these it is apparently proposed to maintain 54 with full permanent crews. Taking a general view, the effect of the law will be that nearly four-fifths of the entire German Navy will be maintained in full permanent commission; that is to say, instantly and constantly ready for war.

So great a change and development in the German fleet involves, of course, important additions to their personnel. In 1898 the officers and men of the German Navy amounted to 25,000. To-day that figure has reached 66,000. The new law adds 15,000 officers and men, and makes a total in 1920 of 101,500.

The new construction under the law prescribes the building of 3 additional battleships—1 to be begun next year, 1 in 1916—and 2 small cruisers, of which the date has not yet been fixed. The date of the third battleship has not been fixed. It has been presumed to be later than the six years which are in view. The cost of these increases in men and in material during the next six years is estimated at £10,500,000 spread over that period above the previous estimates.

The facts set forth above were laid before the House of Commons on the 22nd July, 1912, by the First

Lord of the Admiralty.

5. The effect of the new German Navy Law is to produce a remarkable expansion of strength and readiness. The number of battleships and large armoured cruisers which will be kept constantly ready and in full commission will be raised by the law from 21, the present figure, to 33—an addition of 12, or an increase of about 57 per cent.

The new fleet will, in the beginning, include about 20 battleships and large cruisers of the older type, but gradually as new vessels are built the fighting power of the fleet will rise until in the end it will con-

sist completely of modern vessels.

The complete organization of the German fleet, as described by the latest law, will be 5 battle squadrons and a fleet flagship, comprising 41 battleships in all, each attended by a battle or armoured cruiser squadron, complete with small cruisers and auxiliaries of all kinds and accompanied by numerous flotillas of destroyers and submarines.

This full development will only be realised step by step; but already, in 1914, two squadrons will, according to Admiralty information, be entirely composed of what are called Dreadnoughts, and the third will be made up of good ships like the *Deutschlands* and the *Braunschweigs*, together with 5 Dreadnought battle

cruisers.

This great fleet is not dispersed all over the world for duties of commerce protection or in discharge of colonial responsibilities; nor are its composition and character adapted to those purposes. It is concentrated and kept concentrated in close proximity to the German and British coasts.

Attention must be drawn to the explicit declaration of the tactical objects for which the German fleet exists as set forth in the preamble to the naval law of 1900 as follows:

'In order to protect German trade and commerce under existing conditions, only one thing will suffice, namely, Germany must possess a battle fleet of such a strength that even for the most powerful naval adversary a war would involve such risks as to make that Power's own supremacy doubtful. For this purpose it is not absolutely necessary that the German fleet should be as strong as that of the greatest naval Power, for, as a rule, a great naval Power will not be in a position to concentrate all its forces against us.'

6. It is now necessary to look forward to the situa-

tion in 1915.

IN HOME WATERS

In the spring of the year 1915-

Great Britain will have 25 Dreadnought battleships and 2 'Lord Nelsons.'

Germany will have 17 Dreadnought battleships.

Great Britain will have 6 battle cruisers. Germany will have 6 battle cruisers.

These margins in new ships are sober and moderate. They do not err on the side of excess. The reason they suffice for the present is that Great Britain possesses a good superiority in battleships, and especially armoured cruisers, of the pre-Dreadnought era.

The reserve of strength will steadily diminish every year, actually, because the ships of which it is composed grow old, and relatively, because the new ships are more powerful. It will diminish more rapidly if new construction in Germany is increased or accelerated. As this process continues, greater exertions will be required by the British Empire.

MEDITERRANEAN STATION

Four battle cruisers and four armoured cruisers will be required to support British interests in the Mediterranean during the years 1913 and 1914. During those years the navies of Austria and Italy will gradually increase in strength, until in 1915 they will each possess a formidable fleet of 4 and 6 Dreadnought battleships respectively, together with strong battleships of the pre-Dreadnought types and other units. such as cruisers, torpedo-craft, &c. It is evident, therefore, that in the year 1915 our squadron of 4 battle cruisers and 4 armoured cruisers will not suffice to fulfil our requirements, and its whole composition must be reconsidered.

OVERSEAS

It has been necessary within the past decade to concentrate the fleet mainly in home waters.

In 1902 there were 160 British vessels on the over-

seas stations against 76 to-day.

7. Naval supremacy is of two kinds: general and local. General naval supremacy consists in the power to defeat in battle and drive from the seas the strongest hostile navy or combination of hostile navies wherever they may be found. Local superiority consists in the power to send in good time to, or maintain permanently in, some distant theatre, forces adequate to defeat the enemy or hold him in check until the main decision has been obtained in the decisive theatre. It is the general naval supremacy of Great Britain which is the primary safeguard of the security and interests of the great dominions of the Crown, and which for all these years has been the deterrent upon any possible designs prejudicial to or inconsiderate of their policy and safety.

The rapid expansion of Canadian sea-borne trade, and the immense value of Canadian cargoes always afloat in British and Canadian bottoms, here require consideration. On the basis of the figures supplied

by the Board of Trade to the Imperial Conference of 1911, the annual value of the overseas trade of the Dominion of Canada in 1909-10 was not less than £72,000,000, and the tonnage of Canadian vessels was 718,000 tons, and these proportions have already increased and are still increasing. For the whole of this trade wherever it may be about the distant waters of the world, as well as for the maintenance of her communications, both with Europe and Asia, Canada is dependent, and has always depended, upon the Imperial Navy, without corresponding contribution or cost.

Further, at the present time and in the immediate future, Great Britain still has the power, by making special arrangements, and mobilizing a portion of the reserves, to send, without courting disaster at home, an effective fleet of battleships and cruisers to unite with the Royal Australian Navy and the British squadrons in China and the Pacific for the defence of British Columbia, Australia, and New Zealand. And these communities are also protected and their interests safeguarded by the power and authority of Great Britain so long as her naval strength is unbroken.

8. This power, both specific and general, will be diminished with the growth not only of the German Navy, but by the simultaneous building by many

Powers of great modern ships of war.

Whereas, in the present year, Great Britain possesses 18 battleships and battle-cruisers of the Dread-nought class against 19 of that class possessed by the other Powers of Europe, and will possess in 1913, 24 to 21, the figures in 1914 will be 31 to 33; and in the year 1915, 35 to 51.

The existence of a number of navies all comprising ships of high quality must be considered in so far as it affects the possibilities of adverse combinations being suddenly formed. Larger margins of superiority at home would, among other things, restore a greater freedom to the movements of the British squadrons in every sea, and directly promote the security of the Dominions.

Anything which increases our margin in the newest

ships diminishes the strain and augments our security

and our chances of being left unmolested.

9. Whatever may be the decision of Canada at the present juncture, Great Britain will not in any circumstances fail in her duty to the Overseas Dominions of the Crown.

She has before now successfully made head alone and unaided against the most formidable combinations, and she has not lost her capacity by a wise policy and strenuous exertions to watch over and preserve the

vital interests of the Empire.

The Admiralty are assured that his Majesty's Government will not hesitate to ask the House of Commons for whatever provision the circumstances of each year may require. But the aid which Canada could give at the present time is not to be measured only in ships or money. Any action on the part of Canada to increase the power and mobility of the Imperial Navy, and thus widen the margin of our common safety, would be recognized everywhere as a most significant witness to the united strength of the Empire, and to the renewed resolve of the Overseas Dominions to take their part in maintaining its integrity.

10. The Prime Minister of the Dominion having inquired in what form any immediate aid that Canada might give would be most effective, we have no hesitation in answering, after a prolonged consideration of all the circumstances, that it is desirable that such aid should include the provision of a certain number of the largest and strongest ships of war which science

can build or money supply.

In this twentieth century of Christianity, in this age which boasts of its civilization, the increasing tendency of the nations to arm themselves against each other is not only regrettable, but depressing and alarming. May the day soon approach when international differences will be settled by appeal to a tribunal established by international authority, and so constituted that its decrees will unfailingly command respect and obedience. But, while war is still the supreme arbiter between the nations, we to whose care this vast heritage has been committed must never forget that we are the trustees of its security.

Do Canadians sufficiently realize the disparity between the naval risks of our Empire and those of any other nation? The armies of continental Europe number their men by the million, not by the thousand. They are highly equipped and organized; the whole population have undergone military training, and any one of these countries is absolutely secure against invasion from Great Britain, which could not send an expeditionary force of more than one hundred and fifty thousand men, at the highest estimate. Such a force would be outnumbered twenty to one by any of the great European Powers. The Empire is not a great military Power, and it has based its security in the past, as in the present, almost entirely on the strength of the Navy. A crushing defeat upon the high seas would render the British Islands or any of the Dominions subject to invasion by any great military Power. The loss of such a decisive battle by Great Britain would practically destroy the United Kingdom, shatter the British Empire to its foundation, and change profoundly the destiny of its component parts. The advantages which Great Britain could gain from defeating the naval forces of any other Power would be non-existent except in so far as the result would ensure the safety of the Empire. On the other hand, there are practically no limits to the ambitions which might be indulged in by other Powers if the British Navy were once destroyed or disabled. There is, therefore, grave cause for concern when once the naval supremacy of the Empire seems on the point of being successfully challenged.

The great outstanding fact which arrests our attention in considering the existing conditions of naval power is this. Twelve years ago the British Navy and the British flag were predominant in every ocean of the world and along the shores of every continent. To-day they are predominant nowhere except in the North Sea. The paramount duty of ensuring safety in home waters has been fulfilled by withdrawing or reducing squadrons in every part of the world, and by concentrating nearly all the effective naval forces in close proximity to the British Islands. In 1902 there were fifty-five British warships on the Mediterranean station; to-day there are nineteen. There were fourteen on the North America and West Indies station; to-day there are three. There were three on the south-east coast of South Africa: to-day there is one. There were sixteen on the Cape of Good Hope station; to-day there are three. There were eight on the Pacific station; to-day there are two. There were forty-two on the China station; to-day there are thirty-one. There were twelve on the Australian station; to-day there are eight. There were ten on the East Indies station; to-day there are nine. Or, to sum up, in 1902 there were one hundred and sixty ships on foreign and colonial stations against seventy-six to-day.

Do not imagine that this result has been brought about by any reduction in expenditure, for the case is practically the reverse. Great Britain's total naval expenditure in 1902 was less than \$152,000,000. For the present fiscal year it will exceed \$220,000,000. Why, then, has the naval force of the Empire been so enormously reduced throughout the world, while at the same time the expenditure has increased by nearly fifty per cent.? For the simple reason that the increasing strength of other navies, and especially of the German Navy, has compelled Great Britain not only to increase her fleet, but to concentrate it in the vicinity of the British Islands; and there has been, of course, a substantial increase of strength in home waters. In short, the strain of meeting changed conditions has been so heavy and unceasing that, in spite of largely increased expenditure and every possible exertion, the Admiralty have been compelled by pressure of circumstances to withdraw or diminish forces throughout the world which in time of peril safeguarded the security and integrity of the King's dominions and in time of peace were a living and visible symbol of the tie that unites all the subiects of the Crown.

It is neither necessary nor desirable in this place to debate or discuss the probability or imminence of war. The real test of our action is the existence or non-existence of absolute security. We cannot afford to be satisfied with anything less than that, for the risks are too great. It should never be forgotten that without war, without the firing of a shot or the striking of a blow,

our naval supremacy may disappear, and with it the sole guarantee of the Empire's continued existence. I especially desire to emphasize this consideration; for all history, and especially modern history, conveys to us many grave warnings that the issue of great events may be determined, and often is determined, not by actual war resulting in victory or defeat, but by the mere existence of unmistakable and pronounced naval or military superiority on either side.

The fact that trade routes, vital to the Empire's continued existence, are inadequately defended and protected, by reason of necessary concentration in home waters, is exceedingly impressive and even startling. Even during the present year the battleships of the British Mediterranean fleet based on Malta have been withdrawn and based on Gibraltar in order that they might become more easily available if necessary for aid in home The Atlantic fleet based on Gibraltar has been withdrawn to the vicinity of the British Islands for the same reason. Under such conditions the British flag is not predominant in the Mediterranean, and, with every available exertion on the part of the whole Empire, it will be impossible to regain the necessary position of strength in that great highway before 1915 or 1916. Austria-Hungary, with only one hundred and forty miles of sea-coast, and with absolutely no colonial possessions, is building in the Mediterranean a formidable fleet of Dreadnoughts which will attain its full strength in about three years; this fleet will be supported by strong battleships of the pre-Dreadnought type, and by cruisers,

torpedo craft, and other necessary auxiliaries. The fleet of Italy in the same theatre will be even

more powerful and more formidable.

The withdrawal of the British flag and the British Navy from so many parts of the world for the purpose of concentration in home waters has been necessary but unfortunate. Our Navy was once dominant everywhere, and the white ensign was the token of naval supremacy in all the seas. Is it not time that the former conditions should in some measure be restored? Upon our own coasts, both Atlantic and Pacific. squadrons were maintained twelve years ago. To-day the flag is not shown on either seaboard. I am assured that the aid which we propose will enable such special arrangements to be consummated that, without courting disaster at home, an effective fleet of battleships and cruisers can be established in the Pacific, and a powerful squadron can periodically visit our Atlantic seaboard, to assert once more the naval strength of the Empire along these coasts. I do not forget, however, that it is the general naval supremacy of the Empire which primarily safeguards the Overseas Dominions. New Zealand's battleship is ranged in line with the other British battleships in the North Sea because there New Zealand's interests may be best guarded by protecting the very heart of the Empire.

In presenting our proposals, it will be borne in mind that we are not undertaking or beginning a system of regular and periodical contributions. I agree with the resolution of this House in 1909, that the payment of such contributions would

not be the most satisfactory solution of the question of defence.

Upon the information which I have disclosed to the House, the situation is in my opinion sufficiently grave to demand immediate action. We have asked his Majesty's Government in what form temporary and immediate aid can best be given by Canada at this juncture. The answer has been unhesitating and unequivocal. Let me again quote it:

We have no hesitation in answering, after a prolonged consideration of all the circumstances, that it is desirable that such aid should include the provision of a certain number of the largest and strongest ships of war which science can build or money supply.

Upon inquiry as to the cost of such a battle-ship, we are informed by the Admiralty that it is approximately £2,350,000, including armament and first outfit of ordnance stores and ammunition. The total cost of three such battleships, which when launched will be the most powerful in the world, would be approximately \$35,000,000, and we ask the people of Canada, through their Parliament, to grant that sum to his Majesty the King of Great Britain and Ireland and of the Overseas Dominions, in order to increase the effective naval forces of the Empire, to safeguard our shores and our seaborne commerce, and to make secure the common heritage of all who owe allegiance to the King.

These ships will be at the disposal of his Majesty the King for the common defence of the Empire. They will be maintained and controlled

as part of the Royal Navy: and we have the assurance that if, at any time in the future, it should be the will of the Canadian people to establish a Canadian unit of the British Navv. these vessels can be recalled by the Canadian Government to form part of that Navy, in which case, of course, they would be maintained by Canada and not by Great Britain. In that event, there would necessarily be reasonable notice of such recall; and, indeed, Canada would not desire or suggest the sudden withdrawal of so powerful a contingent from any important theatre in which the naval forces of the Empire might be exposed to severe and sudden attack. In the meantime, I am assured that special arrangements will be made to give Canadians the opportunity of serving as officers on these ships.

Without intending or desiring to indulge in controversial discussion, I may be permitted to allude to British naval organization. Obviously, one could not make a very complete or thorough study of so great an organization in a few weeks. or even a few months; but during recent years, and especially during the past summer, I have had occasion to learn something of its methods, its character, and its efficiency, and good reason to conclude that it is undoubtedly the most thorough and effective in the world. There have been proposals, to which I shall no more than allude, that we should build up a great naval organization in Canada. In my humble opinion, nothing of an efficient character could be built up in this country within a quarter or perhaps half a century. Even then it would be but a poor and

weak substitute for that splendid organization which the Empire already possesses, which has been evolved and built up through centuries of the most searching experience and of the highest endeavour. Is there really any need that we should undertake the hazardous and costly experiment of building up a naval organization especially restricted to this Dominion, when upon just and self-respecting terms we can take such part as we desire in naval defence through the existing naval organization of the Empire, and in that way fully and effectively avail ourselves of the men and the resources at the command of Canada?

Where shall these ships be built? They will be built under Admiralty supervision in the United Kingdom, for the reason that at present there are no adequate facilities for constructing them in Canada. The plant required for the construction of a Dreadnought battleship is enormous, and it would be impossible at present to maintain shipbuilding in this country on such a In any case, only the hull could be built in Canada: because the machinery, the armour, and the guns would necessarily be constructed or manufactured in the United Kingdom. The additional cost of construction in Canada would be about \$12,000,000 for the three ships, and it would be impossible to estimate the delay. No one is more eager than myself for the development of shipbuilding industries in Canada, but we cannot, upon any business or economic considerations, begin with the construction of Dreadnoughts; and especially we could not do so when these ships are urgently required within two or three years at the outside, for rendering aid upon which may depend the Empire's future existence. According to my conception, the effective development of shipbuilding industries in Canada must commence with small beginnings and in a business-like way.

I have discussed the subject with the Admiralty. and they thoroughly realize that it is not to the Empire's advantage that all shipbuilding facilities should be concentrated in the United Kingdom. I am assured, therefore, that the Admiralty are prepared in the early future to give orders for the construction in Canada of small cruisers, oil-tank vessels, and auxiliary craft of various kinds. plant required is relatively small as compared with that which is necessary for a Dreadnought battleship, and such an undertaking would have a much more secure and permanent basis from a business standpoint. For the purpose of stimulating so important and necessary an industry, we have expressed our willingness to bear a portion of the increased cost for a time at least. see no reason why all vessels required in the future for our Government service should not be built in Canada, even at some additional cost. In connexion with the development of shipbuilding. I should not be surprised to see the establishment of a higher class of engineering works, which would produce articles now imported and not presently manufactured in Canada. Therefore, although the sum which we propose to devote for necessary naval aid at this critical juncture is to be expended in Great Britain, yet we believe that

this step will result, under the conditions which I have described, in very marked development of more than one industry in Canada, and that, even from a purely economic and material standpoint, the step has much to commend it.

These ships will constitute an aid brought by the Canadian people to his Majesty the King as a token of their determination to maintain the integrity of the Empire and to assist in repelling any danger which may threaten its security. is most appropriate that the opportunity should have come when the Crown is represented in Canada by his Royal Highness the Governor-General, who has rendered such valuable and eminent service to the State, and who takes so deep and splendid an interest in all that concerns the welfare and safety of every portion of his Majesty's Dominions. Canada is sending three ships to range themselves in the battle-line of the Empire with those of the Mother Country, of Australia, and of New Zealand. They will be the three most powerful battleships in the world, and they will bear historic names associated with this country. Thus, every Canadian will realize, in seeing or reading of these ships, that they are a gift in which he has participated, and that, by their presence in the battle-line of the Empire, he has freely taken a direct and distinct share in maintaining the Empire's safety.

No modern nation possessing a great seaborne commerce can afford to neglect its interest upon the high seas. Heaven forbid that in this country we should aid or abet any warlike or aggressive tendencies. This Empire will never undertake

any war of aggression, and all the influences of Canada will assuredly be arrayed against any such course; but we know that war has come many times within the past fifty years without warning, like a thunderbolt from a clear sky, and thereby the power, the influence, and the destiny of more than one nation have been profoundly affected. A naval war especially may come with startling suddenness, for these tremendous engines of war are always ready and prepared for battle. The 'security, indeed the very existence of this Empire, depends on sea power. When we are obliged to abdicate the seas, it may even be without war, but in the face of overwhelming force, the Empire's arteries will no longer pulsate, the blood will cease to flow in its veins, and dissolution will be at hand.

But if we should neglect a duty which I conceive we owe to ourselves, and if irreparable disaster should ensue, what would be our future destiny? Obviously, as an independent nation or as an important part of the great neighbouring republic. What, then, would be our responsibilities, and what the burden upon us for a protection on the high seas much less powerful and less effective than that which we enjoy to-day? Take the case of one nation whose territory, resources, population, and wealth may fairly be compared with those of Canada. The naval estimates of Argentina for four years, from 1909 to 1912 inclusive, amounted to \$35,000,000. In addition to this the Parliament of Argentina voted during the same four years for special naval and military purposes more than \$40,000,000. No information is available as to the exact proportion of the last-mentioned sum which was appropriated for naval purposes, but it is understood that the greater portion was for naval construction. It is safe, therefore, to estimate that during the past four years Argentina has expended for naval purposes not less than sixty-five to seventy million dollars. The federal and state expenditure of the United States comprises a total annual outlay for armament of between \$250,000,000 and \$300,000,000, or at the rate of \$2.75 per head. A similar expenditure by Canada would mean an annual outlay of some \$20,000,000 or \$25,000,000, or between eighty and one hundred million dollars during the same period.

It is apparent, therefore, that the aid which we propose to bring at this juncture is of a moderate and reasonable character. For forty-five years as a confederation we have enjoyed the protection of the British Navy without the cost of a dollar, and I venture to submit my firm conviction that this assistance, freely tendered by the people of Canada through their Parliament, is due to their

own self-respect.

So far as official estimates are available, the expenditure of Great Britain in naval and military defence for the provinces which now constitute Canada, during the nineteenth century, was not less than \$400,000,000. Even since the inception of our confederation, and since Canada has attained the status of a great Dominion, the amount so expended by Great Britain for the naval and military defence of Canada vastly exceeds the sum which we are now asking Parliament to

appropriate. From 1870 to 1890 the proportionate cost of North Atlantic squadrons which guarded our coasts was from \$125,000,000 to \$150,000,000. From 1853 to 1903 Great Britain's expenditure on military defence in Canada runs closely up to one hundred million dollars.

Has the protection of the flag and the prestige of the Empire meant anything for us during all that period? Hundreds of illustrations are at hand, but let me give just two. During a period of disorder in a distant country, a Canadian citizen was unjustifiably attacked and fifty lashes were laid on his back. Appeal was made to Great Britain, and with what result? A public apology was made to him, and fifty pounds were paid for every lash. In time of dangerous riot and wild terror in a foreign city a Canadian religious community remained unafraid. 'Why did you not fear?' they were asked, and unhesitatingly came the answer, 'The Union Jack floated above

I have alluded to the difficulty of finding an acceptable basis upon which the great dominions, co-operating with the Mother Country in defence, can receive and assert an adequate voice in the control and moulding of foreign policy. We were brought closely in touch with both subjects when we met the British ministers in the Committee of Imperial Defence. That committee is peculiarly constituted, but in my judgement is very effective. It consists of the Prime Minister of Great Britain and of such persons as he may summon to attend it. Practically all the members of the Cabinet from time to time attend its deliberations, and

usually the more important members of the Cabinet are present. In addition, the naval and military experts and technical officers of the various departments concerned are in attendance. A very large portion of the committee's work is carried on by sub-committees, which are often composed in part of persons who are not members of the general committee itself, and who are selected for their special knowledge of the subjects to be considered and reported upon. The amount of work which has thus been performed, during the past five or six years in particular, is astonishing, and I have no doubt that it has contributed largely to the safety of the whole Empire in time of peril. The committee is not technically or constitutionally responsible to the House of Commons, and thus it is not supposed to concern itself with policy. As so many important members of the Cabinet are summoned to attend the committee, its conclusions are usually accepted by the Cabinet, and thus command the support of a majority of the House of Commons. While the committee does not control policy in any way, and could not undertake to do so, as it is not responsible to Parliament, it is necessarily obliged constantly to consider foreign policy and foreign relations, for the obvious reason that defence, and especially naval defence, is inseparably connected with such consideration.

I am assured by his Majesty's Government that, pending a final solution of the question of voice and influence, they would welcome the presence in London of a Canadian minister during the whole or a portion of each year. Such minister would be regularly summoned to all meetings of the Committee of Imperial Defence, and would be regarded as one of its permanent members. No important step in foreign policy would be undertaken without consultation with such a representative of Canada. This seems a very marked advance, both from our standpoint and from that of the United Kingdom. It would give to us an opportunity of consultation, and therefore an influence which hitherto we have not possessed. The conclusions and declarations of Great Britain in respect to foreign relations could not fail to be strengthened by the knowledge that such consultation and co-operation with the Overseas Dominions had become an accomplished fact.

No thoughtful man can fail to realize that very complex and difficult questions confront those who believe that we must find a basis of permanent co-operation in naval defence, and that any such basis must afford to the Overseas Dominions an adequate voice in the moulding and control of foreign policy. It would have been idle to expect, and indeed we did not expect, to reach in the few weeks at our disposal during the past summer a final solution of that problem, which is not less interesting than difficult, which touches most closely the future destiny of the Empire, which is fraught with even graver significance for the British Islands than for Canada. But I conceive that its solution is not impossible; and, however difficult the task may be, it is not the part of wisdom or of statesmanship to evade it. And so we invite the statesmen of Great

Britain to study with us this, the real problem of Imperial existence.

The next ten or twenty years will be pregnant with great results for this Empire, and it is of infinite importance that questions of purely domestic concern, however urgent, shall not prevent any of us from 'rising to the heights of this great argument.' But to-day, while the clouds are heavy and we hear the booming of the distant thunder, and see the lightning flashes above the horizon, we cannot and we will not wait and deliberate until any impending storm shall have burst upon us in fury and with disaster. Almost unaided, the Mother Land, not for herself alone, but for us as well, is sustaining the burden of a vital Imperial duty, and confronting an overmastering necessity of national existence. Bringing the best assistance that we may in the urgency of the moment thus to her aid, in token of our determination to protect and ensure the safety and integrity of this Empire, and of our resolve to defend on sea as well as on land our flag, our honour, and our heritage.

Right Hon. Sir Wilfrid Laurier: Mr. Speaker, I do not rise with any intention of discussing now the very important measure which has been submitted to the House by my right hon. friend. Indeed, under the rules of the House as interpreted by you, sir, there should be no discussion on the first reading of any Bill: With regard to the point of order which you have just stated, I think that my hon. friend is in order in stating that the

details of the Bill should not be discussed until the resolution is brought down. The money consideration, important as it is, is not the chief consideration, and I have no fault to find with my hon. friend in introducing the Bill before bringing down the resolution.¹

¹ The Bill which finally passed the House of Commons was rejected by the Liberal majority in the Upper House. At the outbreak of war, accordingly, the Canadian naval forces consisted only of two cruisers, which were at once transferred to the control of the Admiralty.

9. IMPERIAL CO-OPERATION IN DEFENCE AND FOREIGN POLICY

Right Hon. L. Harcourt to the Governor-General of Australia, the Governor-General of the Union of South Africa, and the Governors of New Zealand and Newfoundland

> DOWNING STREET, 10th December, 1912.

Sir,

I am forwarding by post, for the confidential information of your Ministers, a record of the proceedings at the Committee of Imperial Defence on May 30th, 1911 (during the Imperial Conference) and on August 1st, 1912 (during the visit of the Canadian Ministers to London).

This record deals solely with the question of the representation of the Dominions on the Committee of Imperial Defence.

[Omitted to New Zealand. Your Ministers, who were present on the first occasion, will remember that] the matter arose out of a Resolution by Sir Joseph Ward on the Agenda of the Imperial Conference, asking that the High Commissioners of the Dominions should be summoned to the Committee of Imperial Defence when naval and military matters affecting the Oversea Dominions were under consideration. The unanimous view

of all those present on May 30th, 1911, was that the representation of the Dominions should be not by the High Commissioner but by Ministers who would be responsible to their own colleagues and Parliament, and at the same time it was decided that a Defence Committee should be established in each Dominion which would be kept in close touch with the Committee of Imperial Defence at home. The Resolutions ultimately put forward by his Majesty's Government and accepted unanimously by the members of the Imperial Conference at the Committee of Imperial Defence were as follows: (1) That one or more representatives, appointed by the respective Governments of the Dominions, should be invited to attend meetings of the Committee of Imperial Defence when questions of naval and military defence affecting the Oversea Dominions are under (2) The proposal that a Defence consideration. Committee should be established in Dominion is accepted in principle. The constitution of these Defence Committees is a matter for each Dominion to decide.

The Canadian Government having changed in the autumn of 1911, it was necessary, when Mr. Borden and his colleagues visited England this summer, to put these proposals before them, as they were of course unaware of the previous proceedings. Subject to consultation with his colleagues in Canada, Mr. Borden provisionally accepted the resolutions as passed and stated that he saw no difficulty in one of his Ministers, either with or without portfolio, spending some months of every year in London in order to carry out this

intention. Mr. Asquith and I had, subsequently, several private conversations with him, at which he expressed the desire that the Canadian and other Dominions Ministers who might be in London as members of the Committee of Imperial Defence should receive, in confidence, knowledge of the policy and proceedings of the Imperial Government in foreign and other affairs. We pointed out to him that the Committee of Imperial Defence is a purely advisory body and is not, and cannot under any circumstances become, a body deciding on policy, which is and must remain the sole prerogative of the Cabinet, subject to the support of the House of Commons. But, at the same time, we assured him that any Dominions Minister resident here would at all times have free and full access to the Prime Minister, the Foreign Secretary, and the Colonial Secretary for information on all questions of Imperial policy. In a public speech which I made a short time ago I used the following words:

There is, on the part of Canadian Ministers and people, a natural and laudable desire for a greater measure of consultation and co-operation with us in the future than they have had in the past. This is not intended to, and it need not, open up those difficult problems of Imperial Federation which, seeming to entail questions of taxation and representation, have made that policy for many years a dead issue. But, speaking for myself, I see no obstacle, and certainly no objection, to the Governments of all the Dominions being given at once a larger share in the executive direction in matters of defence and in personal consultation and co-operation with individual British Ministers whose duty it is to frame policy here. I should welcome a more continuous representation of

Dominions Ministers, if they wish it, upon the Committee of Imperial Defence; we should all be glad if a member or members of those Cabinets could be annually in London. The door of fellowship and friendship is always open to them and we require no formalities of an Imperial Conference for the continuity of Imperial confidence.

The foregoing accurately represents the views and intentions of his Majesty's Government.

From Mr. Borden's public speech in introducing the Canadian Naval Bill, it appears that he accepts the proposals which we have made.¹ The same offer is, of course, open to all the other self-governing Dominions if and when they wish to adopt it, but the proposal is not one of necessary or strict uniformity, and can be varied in the case of each or any Dominion to suit their wishes or the special circumstances of their case. I should be glad to know, at their convenience, whether your Ministers desire to adopt some such method of more continuous connexion in naval and military affairs with the Committee of Imperial Defence in the United Kingdom.

I have, &c.

L. HARCOURT.

¹ On the death of Lord Strathcona, the Canadian Government sent one of its members, the Hon. Sir George Perley, as acting High Commissioner, to London in order to serve as a link between the Dominion and Imperial Governments. Cf. above, pp. 334-336.

10. RIGHT HON. WINSTON CHURCHILL'S SPEECH ON THE CREATION OF AN IMPERIAL SQUADRON

HOUSE OF COMMONS, MARCH 17, 1914

I come now to the central problem of our standard. Formerly we have followed the two-Power standard—that is to say, 10 per cent. over the two strongest Powers. Now that standard has become quite meaningless. The two next strongest Powers, if you take the whole world, would be Germany and the United States, and if you left out the United States, as common sense would dictate, the two next strongest Powers would be Germany and France, which is not a very helpful or reasonable standard to adopt. As a matter of fact, in 1914-15 we shall be conforming to both these tests, absurd and unreasonable though they It would not be in the naval interest to base our strength on foundations from which common sense recoils. The 60 per cent. standard was adopted by the Admiralty in 1908 or 1909, and it was announced publicly by me two years ago. That is a building standard of new construction only, and it refers to capital ships only. cruisers we follow a 100 per cent. standard, and have for many years. There are other standards for other classes. That 60 per cent. standard was described by me as follows:

To develop a 60 per cent. superiority in vessels of the 'Dreadnought' type over the German Navy on the basis of the fleet law before its latest amendment, and to build at the rate of two keels to one for every ship added under that law, either by the last or subsequent amendments.

That is the standard we are following, and for which we claim full Parliamentary assent. That standard, of course, is not eternal; still less could it be made a binding international instrument. It is capable of revision in either one direction or the other. I have always carefully guarded myself against any inference that it could be made an absolute standard. Let me read to the House what I said on 18th March, 1912:

If Germany were to adhere to her existing law we believe that standard would, in the absence of any unexpected development in other countries, continue to be a financial guide for the next four or five years, so far, that is to say, as this capital class of vessel is concerned. Further than that it is idle to speculate, This, however, I must say, I must not be taken as agreeing that the ratio of sixteen to ten could be regarded as sufficient preponderance for British Naval strength as a whole above that of the next strongest naval Power. Even if we possessed an Army two-thirds as strong as that of the strongest military Power, we could not agree to that.

That was what I said originally on the first occasion this was announced to the public. There have been various disputes as to what ships should or should not come into the 60 per cent. standard, and I have no doubt the hon. Gentleman opposite has a well-filled arsenal of artillery on the subject. Some contend that the Lord Nelsons, the New Zealand, and the Malaya should be counted, and others contend that none of these

should count at all, and a flood of sterile controversy and partisan statistics, which sensible people would avoid, have been poured out on both sides on this subject. The editor of the Economist arrives at the conclusion that no ships should be built at all this year, while the editor of the National Review, in a comparatively lucid interval. announces that nothing less than sixteen 'Dreadnoughts' will save the Board of Admiralty from the traitor's doom. All this should be taken for what it is worth. The Admiralty have no need and no intention to enter into such a controversy. We have not merely stated our standard, but we have declared our programme. Programmes supersede standards, and actual figures are better than percentages. Two years ago I gave the whole series of programmes to the House which we considered necessary. They were 4, 5, 4, 4, 4, 4, as against German construction 2, 3, 2, 2, 3. 2. Parliament approved of the principle of that request. That is what we ask for now-no more, no less. That is the Admiralty interpretation of the 60 per cent standard. It takes into consideration all the disputable factors and makes all the necessary allowance for older ships declining in value. It has been carefully safeguarded so as not to tie the hands of this country in future. and to provide for the unforeseen. Since then we have had the New Zealand made available for home service, the Malaya presented to us without conditions, and we have had the talk about the Canadian ships, but our programmes must remain unaltered in spite of these additions.

We have now reached the third of these pro-

grammes, and when we consider that British shipbuilding is necessarily dependent on what other people do, it will be seen that three years is a long way to look ahead, and certainly a long way to look ahead successfully. I should not hesitate to admit that we were wrong if we had changed our mind, or to say that new steps must be taken if new circumstances had arisen, but after a full survey of the whole situation at home and abroad we consider that four ships are enough for the programme of this year, and we ask the House to affirm the proposals I submitted in my first year of responsibility for this Department.

In March 1912, speaking in the name of the

Government and the Admiralty, I said:

The Admiralty are prepared to guarantee absolutely the main security of the country and the Empire day by day for the next two years, and if the House will grant what we ask for the future that prospect may be indefinitely extended.

I feel that some of my hon. friends on this side of the House are justified in asking what has occurred since to make the additional ships necessary. Upon the general question of these ships and their propriety, and the need for Canada in common with the other Dominions of the Crown, to take an effective part in the defence of the Empire, there is nothing more to be said. The Admiralty view was expounded in the Canadian Memorandum of 1912. To that we adhere, and the facts there adduced have been strengthened rather than reduced by the passage of time. They constitute an absolute justification for Canadian action, and

for prompt Canadian action. But besides this general case there is a more particular reason. In July 1912, four months after my March statement, the Cabinet having made a new and searching examination of the Mediterranean problem, decided that a British battle squadron should be maintained in that sea, and that we could not afford to leave our interests there indefinitely to the care of powerful cruisers, or battle-cruiser squadrons and flotillas. The Admiralty were then charged with the duty of forming a battle squadron in the Mediterranean. This was foreshadowed to the House in general terms by the Prime Minister. I do not propose to enter into the reasons which led the Government, with, I think, the general approval of Parliament, to this conclusion. Outside the sphere of pure strategy and belonging to the domain of state policy, the other principal reason was that we should remain the independent guardians of our own important and long-established interests in the Mediterranean. and should not incur any exceptional obligations in any direction. The force of such a consideration must be freely admitted. Full effect may be given to it by the Admiralty providing the necessary margin of safety in the Mediterranean in the decisive and vital period. In accordance with that policy, we propose to place in the Mediterranean by the end of 1915 a battle squadron based on Malta of eight battleships, six at least of which will be Dreadnoughts of the Lord Nelson type, and to substitute this force for the four battle cruisers that are now stationed there. will make our force in the Mediterranean by the end of 1915 consist of eight battleships, four large armoured cruisers, four light cruisers of the *Town* class, and sixteen destroyers of the *Beagle* type, which have already gone out, and are a great increase on the force of the present flotilla. That we consider to be an adequate representation of our strength for all purposes in the Mediterranean during that year.

In order to do this and at the same time to maintain our indispensable margin in home waters it was necessary that the three Canadian ships should be laid down in the June of last year, or that the completion of three of our own ships of the 1913-14 programme should be hastened by beginning them eight or nine months earlier than was originally proposed. The failure of the Canadian Naval Aid Bill, on which we had counted. obliged us to adopt the second expedient, which was duly announced to Parliament and accepted by the House of Commons, and the Committee has since voted £437,000. With the acceleration of these ships, it will be possible, without impairing our necessary strength at home, to form and maintain a battle squadron in the Mediterranean from the latter part of 1915 to the middle of 1916. We now know, however, that owing to the adverse majority in the Canadian Senate, the Canadian Government will be unable to renew the Naval Aid Bill in the present session, and therefore no Canadian ships will be begun this year. In these circumstances it is necessary for us to repeat, though on a smaller scale, the course that was adopted last year, and to begin two ships of the 1914 programme at the earliest possible moment

so as to have them ready in the third quarter of 1916. Orders to this effect will be given as soon as the House has approved of these Estimates. The tenders are all ready to send out, and the money is taken and included in the Estimates of the year. Additional expenditure from this cause may be estimated at about half a million.

I shall be asked why two ships are sufficient this year, whereas three were required to be accelerated last year. Here is the reason: We are in a better position this year than we were last year. As the total number of our ships increases within the limits of the 60 per cent. standard-I am not going beyond that—so do the numbers available for whole world service. Although the proportion remains the same, a larger number can be spared. During the past year we have, by the unaided exertion of the British taxpayer, improved our margin available for whole world service by one ship, and that improvement will, under the existing programme within the limit of the 60 per cent. standard, be repeated in 1915. If, therefore, in that year any further delay should take place on the part of Canada, the position in the Mediterranean will, as far as we now see, be maintained by the acceleration of only one ship. There are, however, good prospects that the unfortunate deadlock which has arisen in Canada upon this Navy question will be relieved, and that in one way or another, or by one party or other, or, best of all, by the joint action of both parties, Canada will be able to take some share in her own naval defence and in the common defence of the Empire. After all, Canada is a very great and wealthy

community, with interests ever spreading more widely over the surface of the globe. She ought to make some provision for her own naval defence. If she were annexed to the United States of America she would no doubt contribute taxation to the upkeep of the United States Navy. If she were independent, she would no doubt have to make provision at least equal to that which is made by the most powerful South American States. Her destiny is in her own hands. I do not wonder that Canadians of every party feel that it is not in accordance with the dignity and status of the Dominion to depend entirely upon the exertions of the British taxpayers, many of whom are much less well off than the average Canadian.

I have left the most important part of my remarks to the end, and though I have spoken at considerable length it would not be right for me to curtail the observations which I had hoped to address to the House. I now turn to the Pacific. and the aspects of the naval policy connected with the great Dominions there. The safety of Australia and New Zealand is secured by the naval power, and the alliance, which is based on the naval power, of Great Britain. No European State would, or could, invade or conquer New Zealand or Australia unless the British Navy had been destroyed. The same naval power of Great Britain in European waters also protects New Zealand and Australia from any present danger from Japan. While Japan is allied to Great Britain, and while Great Britain possesses a sufficient margin of naval superiority, Japan is safe

from attack by sea from the great fleets of Europe. In no other way in the years that lie immediately before us can Japan protect herself from danger of European interference. It would appear that the reasons which have led Japan to contract and renew the alliance will grow stronger with time. The growth of European interests in China and the general development of European navies on a scale greater than Japan can afford to imitate will lead her increasingly to rely on that sure protection which British naval supremacy can so easily afford. The obligations of Great Britain to Japan under the alliance are not limited to preventing an armada being dispatched from European waters to alter suddenly the balance of naval strength in the China Sea. We are bound to maintain in these waters a force superior to any other European Power, and consequently any danger to Japan arising from a gradual increase of European squadrons in the Far East is also provided against.

The Naval Agreement of 1909 with the Dominions had as its central principle the idea that we should keep in the Pacific and Indian Oceans double the force of the Australian Fleet unit. We are doing more than that. We are not doing it in the same unit. We are keeping the new battle cruisers at home, where alone they will meet their equals, and we have placed on the China station and on the Indian stations the two battleships Swiftsure and Triumph, and other armoured cruisers, which are quite sufficient for the work they will have to do, and which are not only an equivalent, but are an improvement

upon the mere duplication of the Australian Fleet unit. I mention that, because suggestions have been made that we have not given full effect to the 1909 Agreement. I maintain that, exercising the discretion of the Admiralty as to the class and disposition of the ships, we have given, and are giving, full effect to it. The alliance with Japan has now been renewed up to 1921, with the full concurrence of the Overseas Dominions. It is not to be expected that even after that date Japan will have less need of that powerful friend at the other end of the world, which will continue to be the first naval Power.

Quite apart from the good sense and moderation for which the Japanese Government have become renowned, and quite apart from the great services mutually rendered, and the advantages derived by both Powers from the alliance, there is a strong continuing bond of interest between them on both sides. It is this bond that is the true and effective protection for the safety of Australia and New Zealand, and this bond depends entirely on the maintenance of British naval supremacy. If the British Fleet were defeated in the North Sea, all the dangers which it now wards off from the Australasian Dominions would be let loose. If the victorious European Power desired any territorial expansion or naval stations in the Pacific, there would be no forces which Australia and New Zealand could command which could effectively prevent it. If Japan chose to indulge in ambitions of empire or colonization in the Southern Pacific, she would be no loser so far as the European situation was concerned. We

should have lost at a stroke the means both of making our friendship serviceable and our hostility effective. There are no means by which, in the next ten or twelve years, Australia and New Zealand can expect to maintain themselves single-handed. If the power of Great Britain were shattered on the sea, the only course of the five millions of white men in the Pacific would be to seek the protection of the United States. From this point of view the profound wisdom of the policy hitherto adopted by New Zealand can be

appreciated.

In giving a splendid ship to strengthen the British Navy at a decisive point, wherever that point may be, according to the best principles of naval strategy, the Dominion of New Zealand have provided in the most effective way alike for their own and for the common security. No greater insight into political and strategical points has ever been shown by a community hitherto unversed in military matters. The situation in the Pacific will be absolutely regulated by the decision in European waters. Two or three Australian and New Zealand Dreadnoughts, if brought into line in the decisive theatre, might turn the scale and make victory not merely certain but complete. The same two or three Dreadnoughts in Australian waters would be useless the day after the defeat of the British Navy in home waters. Their existence would only serve to prolong the agony without altering the course of events. Their effectiveness would have been destroyed by events which had taken place on the other side of the be, just as surely as if they had been

sunk in the battle. The Admiralty are bound to uphold and proclaim broad principles of unity in command, and in strategic conceptions, and of concentration in the decisive theatre, and for the decisive event. That is our duty, and we are bound to give that advice in a military and strategio The Dominions are perfectly free. matter rests entirely in their hands, and the Admiralty's responsibility ceases when the facts have been placed plainly before Ministers, and those to whom they are responsible. It is recognized, however, that time will be required before the principles of naval strategy are applied to their fullest extent in the Dominions, and that in the interval arrangements must be made to develop as far as possible their local naval establishments. The Dominions want to have their own ships under their own control, cruising in their own waters and based on their own ports. They want to have something they can see, and touch, and take pride in, with feelings of ownership and control. Those feelings, although unrecognized by military truth, are natural. They are real facts which will govern events.

It is easily understood that the difficulties of enlisting the active co-operation of the Dominions in naval defence by means of ships they rarely see, and which are absorbed in the great fleets of Britain at the other end of the world, are at present insuperable. The Admiralty have, therefore, co-operated loyally and to the best of their ability in the development of the Australian fleet unit. We regard the effort which the Australian Commonwealth is making as heroic, and we be a second contract of the commonwealth is making as heroic, and we have been contracted to the contract of the commonwealth is making as heroic, and we can be contracted to the contract of the contracted to the contract of the contracted to the contract of the contracted to the contra

nothing undone to make it a complete success. A thoroughly sound arrangement has been made between the Admiralty and the Government relating to the use of the Commonwealth fleet in war. We realize the importance of creating a naval sentiment in the Dominions, and of creating the reserves of personnel which are so valuable. and the local naval establishments which are essential to the full mobility and employment of the Imperial Fleet. It is with the object of combining sound military principles with local aspirations that the design of the Imperial squadren has been conceived. The principle in policy of the Imperial squadron may be compared to a number of farmers each of whom has the ordinary instruments of agriculture on his farm, but who combine together to buy a steam plough and steam thresher, of which each, in turn, according to his needs, can have the use. There should be developed severally in Canadian, Australasian, and South African waters a naval establishment with docks, defences, and repairing plant, which would enable the Imperial squadron or any division of the British Fleet which might be detached to operate in each theatre for a prolonged period.

Side by side with this there should be developed in each of these three theatres, so far as may be necessary, and allowing for local conditions, the local defence flotillas, both destroyers and submarines, for the purpose of both defending their bases and establishments and of operating in conjunction with the Imperial squadron when it arrives. Great ships move easily and swiftly about the world, but small craft are, by their

nature, localized, and can only traverse the ocean with difficulty and effort. Thirdly, the Dominions should locally maintain the light cruisers necessary, not for fighting battle fleets, but for commerce protection in their own waters, and these cruisers would also combine with the Imperial squadron or detachment of the British Fleet. when it arrives, to make the Fleet complete in all respects. In this way a true distinction will be made between the services which are essentially local, and those which are necessarily of general Imperial character. The Dominions will afforded that individual local development which is necessary to arouse and maintain a keen naval interest, and to procure from them the sacrifices necessary for the maintenance or development of that naval power, while at the same time, by sending any capital ships they may have or acquire to the Imperial Squadron, they will create a really strong and effective naval force-not one or two ships isolated on particular stationswhich will be able to move rapidly and freely about the world, bringing aid in sufficient strength wherever it may be needed in time of war. is the right policy, which it is my duty to proclaim on an occasion like this, and towards which we believe that future developments will gradually and naturally tend.

11. RIGHT HON. SIR WILFRID LAURIER'S SPEECH ON CANADA'S PARTICIPATION IN THE WAR WITH GERMANY

House of Commons of Canada, August 19, 1914

MR. SPEAKER, the observations which I shall have to offer to the House are few and brief. In fact, apart from the usual compliments and congratulations to the mover and the seconder of the Address, which, I am glad to say, I have more than usual pleasure in extending to them, I have but one declaration to make.

The gravity of the occasion which has called us together makes it incumbent upon us even to disregard the formalities and conventionalities which in ordinary times the rules of the House, written and unwritten, enjoin as a wise safeguard against precipitate action, but which, on such an occasion as this, impede us in dealing with the momentous question before us. This session has been called for the purpose of giving the authority of Parliament and the sanction of law to such measures as have already been taken by the Government, and any further measures that may be needed, to ensure the defence of Canada and to give what aid may be in our power to the Mother Country in the stupendous struggle which now

Speaking for those who sit around confronts us. me, speaking for the wide constituencies which we represent in this House, I hasten to say that to all these measures we are prepared to give immediate assent. If in what has been done or in what remains to be done there may be anything which in our judgement should not be done or should be differently done, we raise no question, we take no exception, we offer no criticism, and we shall offer no criticism so long as there is danger at the front. It is our duty, more pressing upon us than all other duties, at once, on this first day of this extraordinary session of the Canadian Parliament, to let Great Britain know, and to let the friends and foes of Great Britain know, that there is in Canada but one mind and one heart. and that all Canadians stand behind the Mother Country, conscious and proud that she has engaged in this war, not from any selfish motive, for any purpose of aggrandizement, but to maintain untarnished the honour of her name, to fulfil her obligations to her allies, to maintain her treaty obligations, and to save civilization from the unbridled lust of conquest and power.

We are British subjects, and to-day we are face to face with the consequences which are involved in that proud fact. Long we have enjoyed the benefits of our British citizenship; to-day it is our duty to accept its responsibilities and its sacrifices. We have long said that when Great Britain is at war we are at war; to-day we realize that Great Britain is at war and that Canada is at war also. Our territory is liable to attack and to invasion. So far as invasion is concerned,

I do not see that there is any cause for apprehension, for it seems to me obvious that neither Austria nor Germany, our foes in this war, can command any force able to make an attack so far from their base. But no one pretends that our maritime cities on the Pacific and the Atlantic are free from the possibility of assault by an audacious corsair, who, descending suddenly upon our shores, might subject us to indignity and insult, and decamp with his booty before punishment could reach him. This is not an unfounded dread of danger; this is no mere illusion: it is a real and indeed a proximate danger, since it is a matter of notoriety that both on the Pacific and on the Atlantic there are German cruisers whose mission is to inflict all the injury they can upon our commerce, and even to make a descent upon our cities should they find our harbours unguarded. We are aware that the Government has already taken measures, and very appropriately, to guard against this danger. We know that one of our battleships on the Pacific has been seeking the enemy to protect our commerce and our cities, and if she has not yet engaged the enemy it is because the enemy has eluded her pursuit.

We have had another and more striking evidence that when Great Britain is at war we are at war, in this—that our commerce has been interrupted, and perhaps the expression would not be too strong if I were to say that it has been to some extent dislocated. From the day war was declared—nay, from the day the possibility of war was first mooted—our shipping to

Great Britain and to Europe has been interrupted. Ships were lying at the docks fully loaded and ready to put to sea, but unable to do so because of the fact that when England is at war Canadian property on the high seas is liable to capture. Our ships therefore had to remain in port so long as precautions had not been taken to clear the way and to ensure their safe passage across the ocean. What measures have been taken in regard to that we have not yet been told, but I have no doubt that we shall have that information in due time.

The correspondence brought down vesterday. however, has informed us that the Canadian Government has already taken steps to send a contingent of twenty thousand men or thereabouts to take their place in the firing line. Upon this occasion I owe it to the House and to myself to speak with absolute frankness and candour. This is a subject which has often been an occasion of debate in this House. I have always said. and I repeat it on this occasion, that there is but one mind and one heart in Canada. At other times we may have had different views as to the methods by which we are to serve our country and our Empire. More than once I have declared that if England were ever in danger-nay, not only in danger, but if she were ever engaged in such a contest as would put her strength to the test -then it would be the duty of Canada to assist the motherland to the utmost of Canada's ability. England to-day is not engaged in an ordinary contest. The war in which she is engaged will in all probability-nay, in absolute certaintystagger the world with its magnitude and its horror. But that war is for as noble a cause as ever impelled a nation to risk her all upon the arbitrament of the sword. That question is no longer at issue; the judgement of the world has already pronounced upon it. I speak not only of those nations which are engaged in this war, but of the neutral nations. The testimony of the ablest men of these nations, without dissenting voice, is that to-day the allied nations are fighting for freedom against oppression, for democracy against autocracy, for civilization against reversion to that state of barbarism in which the supreme law is the law of might.

It is an additional source of pride to us that England did not seek this war. It is a matter of history—one of the noblest pages of the history of England—that she never drew the sword until every means had been exhausted to secure and to keep an honourable peace. For a time it was hoped that Sir Edward Grey, who on more than one occasion has saved Europe from such a calamity, would again avert the awful scourge of war. Sir, it will go down on a still nobler page of history that England could have averted this war if she had been willing to forgo the position which she has maintained for many centuries as the head of European civilization; -if she had been willing to desert her allies, to sacrifice her obligations; to allow the German Emperor to trample upon heroic Belgium, to infringe upon the rights of isolated France, and to put down his booted heel upon continental Europe. At that price England would have secured peace; but

her answer to the German Emperor was: Your proposals are infamous. And, rather than accept them, England has entered into this war: and there is not to-day all over the universe a British subject, there is not outside the British Empire a single man, whose admiration for England is not greater by reason of this firm and noble attitude.

So to-day England is at war. Her fleets are maintaining the freedom of the ocean. Her armies have already crossed the channel towards plains made famous more than once by British valour, this time to maintain the independence of Belgium by taking a place in the fighting line beside the small and heroic Belgian army, and to render assistance to France, whose forces are concentrated in an effort to repel an invader and to maintain and to save intact that which to a proud nation makes life worth living.

I am well aware that the small contingent of some 20,000 men which we are going to send will have to show double courage and double steadiness if they are to give any account of themselves among the millions of men who are now converging towards the frontier of France, where the battle of giants is to be decided. But, sir, it is the opinion of the British Government, as disclosed by the correspondence which was brought down to us yesterday, that the assistance of our troops, humble as it may be, will be appreciated, either for its material value or for the greater moral help which will be rendered. It will be seen by the world that Canada, a daughter of old England, intends to stand by her in this great

conflict. When the call comes our answer goes at once, and it goes in the classical language of the British answer to the call to duty: 'Ready, ave. ready.'

If my words can be heard beyond the walls of this House in the province from which I come, among the men whose blood flows in my own veins, I should like them to remember that in taking their place to-day in the ranks of the Canadian army to fight for the cause of the allied nations, a double honour rests upon them. The very cause for which they are called upon to fight is to them doubly sacred.

In this country we are not all of the same origin; we are not all of British or of French descent. I was struck by the words of the hon. member for South Oxford (Mr. Donald Sutherland) in reference to our fellow citizens of German They are certainly amongst our best This has been acknowledged on more than one occasion. They are proud of the land of their adoption, which to many of them is the land of their birth, and they have shown more than once their devotion to British institutions. But, sir, they would not be men if they had not in their hearts a deep feeling of affection for the land of their ancestors, and nobody would blame them for that. There is nothing, perhaps, so painful as the situation in which mind and heart are driven in opposite directions. But let me tell my fellow-countrymen of German origin that we have no quarrel with the German people. We respect and admire as much as they do the proud race from which they have their descent; we

acknowledge all that the world owes to the German people for their contribution to the happiness of mankind by their progress in literature, in art, and in science. But perhaps our German fellowcitizens will permit me to say that in the struggle for constitutional freedom, which has been universal in Europe during the last century, the German people have not made the same advance as have some of the other nations of Europe. I am sure that they will agree with me that if the institutions of the land of their ancestors were as free as the institutions of the land of their adoption, this cruel war would never have taken place. Nothing can be truer than the words which are reported to have been uttered by a German soldier made a prisoner in Belgium, that this war is not a war of the German people; and if there is a silver lining to this darkest cloud which now overhangs Europe it is that, as a result and consequence of this war, the German people will take the determination to put an end for ever to this personal imperialism, and to make it impossible evermore for one man to throw millions of the human race into all the horrors of modern warfare.

We cannot forget that the issue of battle is always uncertain, as has been proven already in the present contest... In invading Belgium, some two weeks ago, the German Emperor invoked the memory of his ancestors and called upon the blessing of God. The German Emperor might have remembered that there is a treaty guaranteeing the independence, the integrity, the neutrality of Belgium, and that this treaty was signed in the

last century by the most illustrious of his ancestors. the Emperor William I of Germany. He might have remembered also that there is this precept in the divine book: 'Remove not the ancient landmarks which thy fathers have set up.' But the German Emperor threw his legions against this landmark in the fullness of his lust of power, with the full expectation that the very weight of his army would crush every opposition and would secure their passage through Belgium. We did not expect, he could not believe, that the Belgians. few in numbers and peaceful in disposition and in occupation, would rise in his way and bar his progress; or, if he harboured such a thought for one moment, his next thought was that if he met such opposition he could brush it aside by a wave of his imperial hand. Sir, he could have remembered that in the sixteenth century the ancestors of the Belgians rose against the despotism of Philip II of Spain, and, through years of blood and fire and miseries and sufferings indescribable, they maintained an unequal contest against Spain -Spain, as powerful in Europe at that time as the German Empire is to-day. Sir, if there are men who forget the teachings of their fathers, the Belgians are not of that class; they have proved equal to the teachings of their fathers; they have never surrendered; the blood of the fathers still runs in the veins of the sons; and again to-day, through blood and fire and miseries and sufferings indescribable they hold at bay the armies of the proud Kaiser.

I repeat, sir, that the issue of battle is always uncertain. There may be disappointments, there

may be reverses, but we enter into this fight with full hope as to the ultimate result:

For freedom's battle once begun, Bequeathed from bleeding sire to son, Tho' often lost, is ever won.

Sir, upon this occasion we invoke the blessing of God—not the God of battles, but the God of justice and mercy; and it is with ample confidence in Providence that we appeal to the justice of our cause.

Nay, more, already England has won a signal victory, a victory more precious, perhaps, than any that can be achieved by her fleets or by her Only a few weeks ago the Irish problem armies. was pending in the scales of destiny. The possibility of civil strife in Ireland already rejoiced the eyes of Britain's enemies. But to-day the spectre of civil war has vanished from Ireland: all Irishmen are united, ready to fight for King and The volunteers of the north and the volunteers of the south, forgetting their past differences, stand shoulder to shoulder ready to shed their blood for the common cause. And, sir, may I not say that the hope is not vain that in that baptism of blood may be washed away, and for ever washed away, the distrust of one another which has been the curse of Ireland in ages past.

But it is not only in Ireland that you find this union of hearts. In the two other united kingdoms the voice of faction has been silenced. Even those who on principle do not believe in war admit that this was a just war and that it had to be fought. That union of hearts which

exists in the United Kingdom exists also in Canada, in Australia, in New Zealand. Yea, even in South Africa—South Africa, rent by war less than twenty years ago, but now united under the blessing of British institutions, with all, British and Dutch together, standing ready to shed their blood for the common cause. Sir, there is in this the inspiration and the hope that from this painful war the British Empire will emerge with a new bond of union, the pride of all its citizens, and a living light to all other nations.

12. RESOLUTIONS OF THE ECONOMIC CONFERENCE OF THE ALLIES HELD AT PARIS, JUNE 14-17, 1916

I

THE representatives of the Allied Governments have met at Paris under the presidency of M. Clémentel, Minister of Commerce, on June 14, 15, 16, and 17, 1916, for the purpose of fulfilling the mandate given to them by the Paris Conference of March 28, 1916, of giving practical expression to their solidarity of views and interests, and of proposing to their respective Governments the appropriate measures for realizing this solidarity.

II

They declare that, after forcing upon them the military contest in spite of all their efforts to avoid the conflict, the Empires of Central Europe are to-day preparing, in concert with their Allies, for a contest on the economic plane, which will not only survive the re-establishment of peace, but will at that moment attain its full scope and intensity.

III

They cannot therefore conceal from themselves that the agreements which are being prepared for this purpose between their enemies have the obvious object of establishing the domination of the latter over the production and the markets of the whole world and of imposing on other countries an intolerable yoke.

In face of so grave a peril the Representatives of the Allied Governments consider that it has become their duty, on grounds of necessary and legitimate defence, to adopt and realize from now onward all the measures requisite on the one hand to secure for themselves and for the whole of the markets of neutral countries full economic independence and respect for sound commercial practice, and on the other hand to facilitate the organization on a permanent basis of their economic alliance.

For this purpose the Representatives of the Allied Governments have decided to submit for the approval of those Governments the following resolutions:

A

MEASURES FOR THE WAR PERIOD

1

The laws and regulations prohibiting trading with the enemy shall be brought into accord.

For this purpose:

- A.—The Allies will prohibit their own subjects and citizens and all persons residing in their territories from carrying on any trade with:
 - 1. The inhabitants of enemy countries whatever their nationality.

- 2. Enemy subjects wherever resident.
- 3. Persons, firms, and companies whose business is controlled wholly or partially by enemy subjects or is subject to enemy influence and whose names are included in a special list.

B.—They will prohibit the importation into their territories of all goods originating in or coming from enemy countries.

C.—They will devise means of establishing a system enabling contracts entered into with enemy subjects and injurious to national interests to be cancelled unconditionally.

TT

Business undertakings owned or operated by enemy subjects in the territories of the Allies will all be sequestrated or placed under control; measures will be taken for the purpose of winding up some of these undertakings and of realizing their assets, the proceeds of such realization remaining sequestrated or under control.

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In addition to the export prohibitions which are necessitated by the internal situation of each of the Allied countries, the Allies will complete the measures already taken for the restriction of enemy supplies, both in the mother countries and in the Dominions, Colonies, and Protectorates:

1. By unifying the lists of contraband and of export prohibition, and particularly by

prohibiting the export of all commodities declared absolute or conditional contraband;

2. By making the grant of licences for export to neutral countries from which export to enemy territories might take place conditional upon the existence in such countries of control organizations approved by the Allies; or, in the absence of such organizations, upon special guarantees such as the limitation of the quantities exported, supervision by Allied consular officers. &c.

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TRANSITORY MEASURES FOR THE PERIOD OF COMMERCIAL, INDUSTRIAL, AGRICULTURAL, AND MARITIME RECONSTRUCTION OF THE ALLIED COUNTRIES

I

The Allies declare their common determination to ensure the re-establishment of the countries suffering from acts of destruction, spoliation, and unjust requisition, and decide to join in devising means to secure the restoration to those countries, as a prior claim, of their raw materials, industrial and agricultural plant, stock and mercantile fleet, or to assist them to re-equip themselves in these respects.

II

Whereas the war has put an end to all the treaties of commerce between the Allies and the

Enemy Powers, and whereas it is of essential importance that, during the period of economic reconstruction which will follow the cessation of hostilities, the liberty of none of the Allies should be hampered by any claim put forward by the Enemy Powers to most-favoured-nation treatment, the Allies agree that the benefit of this treatment shall not be granted to those Powers during a number of years to be fixed by mutual agreement among themselves.

During this number of years the Allies undertake to assure to each other so far as possible compensatory outlets for trade in case consequences detrimental to their commerce result from the application of the undertaking referred to in

the preceding paragraph.

III

The Allies declare themselves agreed to conserve for the Allied countries, before all others, their natural resources during the whole period of commercial, industrial, agricultural, and maritime reconstruction, and for this purpose they undertake to establish special arrangements to facilitate the interchange of these resources.

IV

In order to defend their commerce, their industry, their agriculture, and their navigation against economic aggression resulting from dumping or any other mode of unfair competition, the Allies decide to fix by agreement a period of time during which the commerce of the Enemy Powers shall be submitted to special treatment and the goods originating in their countries shall be subjected either to prohibitions or to a special régime of an effective character.

The Allies will determine by agreement through diplomatic channels the special conditions to be imposed during the above-mentioned period on the ships of the Enemy Powers.

V

The Allies will devise the measures to be taken jointly or severally for preventing enemy subjects from exercising, in their territories, certain industries or professions which concern national defence or economic independence.

C

PERMANENT MEASURES OF MUTUAL ASSISTANCE AND COLLABORATION AMONG THE ALLIES

T

The Allies decide to take the necessary steps without delay to render themselves independent of the enemy countries in so far as regards the raw materials and manufactured articles essential to the normal development of their economic activities.

These steps should be directed to assuring the independence of the Allies not only so far as concerns their sources of supply, but also as regards their financial, commercial, and maritime organization.

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The Allies will adopt the methods which seem to them most suitable for the carrying out of this resolution, according to the nature of the commodities and having regard to the principles which

govern their economic policy.

They may, for example, have recourse either to enterprises subsidised, directed, or controlled by the Governments themselves, or to the grant of financial assistance for the encouragement of scientific and technical research and the development of national industries and resources; to customs duties or prohibitions of a temporary or permanent character; or to a combination of these different methods.

Whatever may be the methods adopted, the object aimed at by the Allies is to increase production within their territories as a whole to a sufficient extent to enable them to maintain and develop their economic position and independence in relation to enemy countries.

11

In order to permit the interchange of their products, the Allies undertake to adopt measures for facilitating their mutual trade relations both by the establishment of direct and rapid land and sea transport services at low rates, and by the extension and improvement of postal, telegraphic, and other communications.

TTT

The Allies undertake to convene a meeting of technical delegates to draw up measures for the assimilation, so far as may be possible, of their laws governing patents, indications of origin, and trade marks.

In regard to patents, trade marks, and literary and artistic copyright which have come into existence during the war in enemy countries, the Allies will adopt, so far as possible, an identical procedure, to be applied as soon as hostilities cease.

This procedure will be elaborated by the technical delegates of the Allies.

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Whereas for the purposes of their common defence against the enemy the Allied Powers have agreed to adopt a common economic policy, on the lines laid down in the Resolutions which have been passed, and whereas it is recognized that the effectiveness of this policy depends absolutely upon these Resolutions being put into operation forthwith, the Representatives of the Allied Governments undertake to recommend their respective Governments to take without delay all the measures, whether temporary or permanent, requisite for giving full and complete effect to this policy forthwith, and to communicate to each other the decisions arrived at to attain that object.

13. THE IMPERIAL WAR CABINET AND THE IMPERIAL WAR CONFERENCE

Speeches at the Imperial Conference, 1917

SIR R. BORDEN: I should like to make a slight amendment in the terms of the Resolution by substituting for the word 'thereafter' at the end of the first paragraph the words 'as soon as possible after the cessation of hostilities.' would then read in this way: 'The Imperial War Conference are of opinion that the readjustment of the constitutional relations of the component parts of the Empire is too important and intricate a subject to be dealt with during the war, and that it should form the subject of a special Imperial Conference to be summoned as soon as possible after the cessation of hostilities. They deem it their duty, however, to place on record their view that any such readjustment, while thoroughly preserving all existing powers self-government and complete control of domestic affairs, should be based upon a full recognition of the Dominions as autonomous nations of an Imperial Commonwealth, should recognize their right to an adequate voice in foreign policy and in foreign relations, and should provide effective arrangements for continuous consultation in all important matters of common Imperial concern and for such necessary concerted action founded on consultation as the several Governments may determine.'

This subject is one upon which I might speak at great length. Many proposals with regard to the subject have been discussed in the United Kingdom and in all the Dominions of the Empire for many years past in all possible phases. There can be no doubt as to its importance. The growth of the Dominions in wealth and population has been very remarkable during the past fifty years, especially during the last twenty-five years. Their future growth we hope—and, more than that, we believe-will be even more marked. Foreign policy and foreign relations, with which is intimately connected the question of the common defence of the Empire, have been under the immediate control of the Government of the United Kingdom, responsible to the Parliament of the United Kingdom. It would appear from the views of constitutional writers that this condition during the later phases of the growth of the Oversea Dominions has proceeded on a theory of trusteeship which, whatever may be said of it in the past, is certain to prove not only entirely inadequate to the needs of the Empire but incompatible with the aspirations of the people of the Dominions in the future. I have spoken of the growth of the Dominions; it is by no means improbable that children now living will see their population surpass that of the United Kingdom. It is quite within the range of possibility that a single Dominion might grow to the extent which

I have mentioned. Therefore it seems to me beyond question that the theory of trusteeship to which I have alluded cannot be continued indefinitely in the future.

In approaching the subject one is impressed especially with this consideration, that the greatest intellects of the Empire in the past have miscalculated the conditions that would develop in the Dominions, and have failed to foresee the relations of the Empire under the policy of developing full powers of self-government, which was supposed to have the tendency of weakening, if not severing, the ties which unite the Dominions to the Mother Country. The policy of complete control in domestic affairs and complete autonomy in all local affairs, instead of weakening the ties which unite the Empire, has very greatly strengthened them. It was said by a statesman of the highest capacity after that policy had been embarked upon (that is, the policy of granting to the Dominions complete autonomy) that it was an absolute mistake, that it could only lead to the weakening and severance of relations, and that it would have been a wise policy to preserve in the United Kingdom control of the natural resources of the Dominions, and control over their fiscal policy; that this would have tended to unite the Empire; and regret was expressed that some such policy had not been maintained. of us in the Dominions, and I think the people of the British Isles, realize now that any such policy would have had most unfortunate and, more than that, disastrous results. The policy which was supposed to weaken the Empire has

really strengthened it, and I look forward to a development in the future along the line of an increasingly equal status between the Dominions and the Mother Country. It seems to me that the attainment of full citizenship, which involves a voice in foreign relations, will proceed along the line to which I have alluded. The nations of the Empire are really bound together by the tie of a common allegiance, by like institutions and ideals of democracy, and by like purposes. ties will bring the nations of the Empire together more closely upon the line which I have mentioned. I say this with a full understanding that it is unwise, having regard to the lessons of the past, for any of us to predict absolutely the developments of the future. But, nevertheless, the line of development which has been noticeable during the past twenty or twenty-five years seems to point unmistakably to that conclusion. Indeed, the action of the Dominions in this war has made the spirit of nationhood splendidly manifest. The fact that one million men in the Dominions have taken up arms for the defence of the Empire's existence and the maintenance of its future influence is so significant a lesson that one would be unwise not to have it constantly in mind. I believe that the Dominions fully realize the ideal of an Imperial Commonwealth of United Nations, and one should not forget the importance of the Crown as a tie between the Dominions and the Mother Country. His Majesty King George V is especially associated with the Oversea Dominions, because he is the first Sovereign who, before he ascended the throne, availed himself of the opportunity to visit all parts of the Empire and to make himself acquainted with the ideals and aspirations of their people. And the Queen was recognized throughout the Dominions of the Empire as distinctively a British princess before her marriage to the King.

Now the subject of the future relations of the Empire is not only an important but a very complex one. I would not make any conjectures beyond what I have said as to the ultimate solution. It is manifest, I think, that under the present conditions it would be unwise for this Conference to attempt to enter upon that subject. I hope that the delegation which will come to the next Conference from the Dominion which I have the honour to represent will be representative of all political parties. A subject of the vast importance which is involved in the consideration of future inter-Imperial relations would seem to demand that condition if it is to be approached in a proper spirit, because we all agree, I am sure, that so great a question ought not to be made, either here or in the Dominions, a question of party strife or party controversy if it can possibly be prevented.

There has been a very remarkable advance even since we arrived in the British Islands; it is a development which has greatly impressed me, and it seems to be due to the force of great events rather than to any premeditation or design. The fact that an Imperial War Cabinet as well as a British War Cabinet are sitting in London to-day is in itself of great significance. There may be possibly some guidance in that step for the future

relations which will give to the Overseas Dominions their proper voice in the great matters which I have mentioned. However, it would be unwise to attempt to forecast. The Resolution which I have proposed does not attempt to do so: it merely proposes that a special Imperial Conference shall be summoned as soon as possible after the War: and it does at the same time place on record the view of this Conference that any readjustment of relations must, in the first place, preserve all the existing powers of self-government and complete control of domestic affairs, that it must be based on a complete recognition of the Dominions as autonomous nations of an Imperial Commonwealth, and must fully recognize their right to a voice in foreign policy and in foreign relations. The willing acceptance of that principle by the Mother Country is an immense stride in advance.

I have had the advantage of discussing the terms of the Resolution to some extent with my colleagues round this board, and I have made them all acquainted with the principle which is embodied in the Resolution. I hope that it may commend itself to their judgement. I hope further that the Conference to be summoned will approach its deliberations and frame its conclusions on the lessons of the past, so that the future structure of the Empire may be erected on the sure and firm foundations of freedom and co-operation, autonomy and unity.

Mr. Massey: I will second that formally, if it is necessary to second it, and in doing so I will say that I agree thoroughly with almost every

opinion that Sir Robert Borden has expressed in moving the Resolution which is now before the Conference, and I agree with him particularly in the opinion which is really expressed in the Motion itself, that at a time like this, when the statesmen of the Empire are engaged in carrying on our share of the most serious war which has ever occupied our attention, and when the subject of the War is occupying nearly the whole of the attention of most of the thinking people of the British Empire, it is impossible to take in hand such an important question as the 'Reorganization of the Empire,' and, as expressed in the Motion, 'the readjustment of the constitutional relations of its component parts.' That will have to stand over, so far as this Conference is concerned, until the War comes to an end, and until a more representative Conference can be got together than the present one. Personally, I should like to see a much larger Conference convened for the special purpose which Sir Robert Borden has in view, and I should like to see it representative not only of the Governments of the different Dominions and of the different parts of the Empire, but I should like to see it representative, if it is possible so to arrange it, of the different parties in the different Dominions of the Empire. If we are going to raise this question above party-and I think in its importance it is far and away beyond anything in the way of party politics—then we must give the different political parties in the Empire the opportunity of coming together at the Council Board and expressing their opinions, and, if their opinions are

thought worthy of being adopted, that opportunity should be given by the other members of the Conference which it is intended to convene. When I say the parties, I am not referring to all the parties, because there may be small parties that it might not be necessary to have represented; but I am thinking of the more important parties, such as we understand them in the different countries. I know this is not a new idea, and I know that something in this way has been suggested at previous ordinary Imperial Conferences, although, so far as I can recollect, it was not given effect to to any extent, if at all.

I thoroughly agree, too, with the point Sir Robert Borden made when he stated that in these matters we have to look forward and we have. in particular, to be guided by the lessons of the War. I hope, Mr. Long, that point will be borne in mind when the Conference meets, and especially with regard to population. I have not the very slightest doubt that Sir Robert Borden was right in saying that there are people now living who will see a larger population in the different Dominions than the population of what is called the United Kingdom to-day; I have no doubt that will be the case. I believe a very important migration will take place when the War comes to an end which in the ordinary course will have its effect upon the different Dominions; and this War itself has directed the attention of people in every part of the United Kingdom to the possibilities of the Dominions. I will not argue further on that line because, as a matter of fact, there is another Motion in the Order Paper standing in my own

name which will give a better opportunity for discussing it, but in the main I agree with the

opinions expressed by Sir Robert Borden.

Then the Prime Minister of Canada also referred to the necessity for considering and maintaining-I will not go to the length of saying completing—the existing autonomy of the different parts of the Empire. In any arrangements that may be made in the future for the closer unity of the different portions of the Empire and for drawing them more closely together and keeping them together, I am quite certain it is necessary to make the ties that hold the different parts together as easily carried as it is possible to arrange. A great statesman who lived one hundred years ago or thereabouts and whose name frequently comes up in matters of this kind expressed the opinion, looking forward even from his time, that if the different parts of the Empire were to be kept together the bonds to hold them would need to be 'while stronger than steel as light as silk.' Whatever bonds may be arranged will have to be arranged in such a way that they will not chafe and not seriously inconvenience British citizens in any part of the Empire.

Sir Robert Borden referred to our fiscal arrangements. Here particularly, and I mention this now with the object of placing my opinion on record, I think it is not desirable for any Imperial organization of the future, whatever form that Imperial organization may take, to interfere with the fiscal arrangements of the different parts of the Empire any more than can possibly be helped. What I mean is that at present the younger

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nations of the Empire have the right to impose their own taxation in their own way and to collect their own revenue in their own way, and those rights, particularly, should not be attempted to be interfered with, because I am certain that any such interference would lead to very serious friction and probably put this movement back for perhaps many years to come, and none of us desire to see that. Sir Robert Borden referred to the lessons of the past, and I think on an occasion like this there is not one of us who can forget what happened in connexion with the breach between England and what were then the American Colonies a great many years ago. I hope that lesson will be borne in mind and that nothing of the sort will ever happen again in the history of the British Empire; but, if it is not to happen, then a crisis such as that which led up to that very serious trouble and to the breach which followed must be avoided.

Speaking on this point, of course the question will be asked, 'How is any such organization in the future to find money for carrying on the business of the Empire?' Well, personally I do not think it is a difficult question to answer, because I am confident that for the purpose of carrying on the organization, and for Imperial purposes generally, when the different Dominions, or different parts of the Empire, as the case may be, are asked for their share of the finance, and their share of the capital required, the necessary capital will be found, and will be forthcoming; only, as I said before, each part of the Empire must find it in its own way.

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In the case of war and in the case of the possibilities of war we cannot forget that the present arrangement, loose as it has been, has worked very well indeed. Each part of the Empire has found troops, some of them have found ships, in proportion to their wealth and in proportion to their population, and I believe that arrangement may be continued with advantage to the whole of the Empire, and with benefit to the whole of its citizens. I know that numberless opinions have been expressed upon what ought to be done. innumerable pamphlets have been written and innumerable speeches have been delivered, and I am bound to say that all these writings and all these speeches and all these changes of opinion which have taken place during the last dozen years, particularly since the War commenced, have done a very great deal of good, inasmuch as they have set the population of the Empire thinking, and they have impressed people who have never studied the question previously with the potentialities of the Overseas Dominions and with the necessity of taking advantage of the present opportunity to bring the different parts of the Empire more closely together than ever before. and to bind them in such a way that they will not be likely to separate for many centuries to come, and I trust that they will never separate. Suggestions have been made at different times that we should at once consider the question of an Imperial Parliament dealing purely with Imperial questions and leaving local matters, or provincial matters (according to the manner of expression). to be dealt with by provincial or local legislatures

elected for the purpose. I believe, and I have expressed this opinion previously, publicly and otherwise, that such an arrangement will develop in course of time, but I do think that it would be a mistake at the present juncture to attempt too much. This matter is far too important to attempt to bring it rapidly into operation. believe that every step that we take as citizens of the Empire in this connexion has to be thought out very carefully before it is taken. If not, then we are likely to make mistakes, and the present generation may not see any further advance than has been made up to the present.

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A very great deal has been said in favour of an Imperial Parliament, and in theory there is not a very great deal to be said against it, subject to the limitations about which I have already expressed an opinion, that is the limitations particularly with regard to preserving the autonomy of the different parts of the self-governing Dominions of the Empire. There are others who think—and I have heard this opinion expressed -that the present arrangement which gives the Dominions a representation in the Cabinet of the Empire is a good one; and it is a good one; I thoroughly agree with that. Many people think that should be sufficient for quite a long time to come and that it should be continued, and I will offer my own opinion upon that point presently. I think that even this advance is far more important than many of the people in the different parts of the Empire have up to the present realized. I think that when the Dominions were asked to send representatives from their

Legislatures, from their Governments, to the Imperial War Cabinet, it was one of the most important events that had ever taken place in the history of the British Empire, and I am confident that posterity will look upon it from that point of view, and, speaking for myself, I appreciate fully everything which has been done.

And just let me say here, in case I forget before I bring my remarks to a close, that I would like to suggest that this Imperial Conference should express an opinion to the effect, or make a recommendation to the effect, that the present arrangement should continue until the Conference, which we are all of opinion should be convened for the purpose mentioned in the Motion, has met, and until the new arrangement, whatever it may be, comes into operation. As an Imperialist I feel somewhat strongly on this point. As Imperialists we have gained a very great deal. I know that public opinion in Britain and public opinion in the Dominions is in favour of going forward rather than going back, and I express my own personal opinion when I say that it would be a retrograde step if we allowed this Conference to come to an end without expressing our appreciation of what has been done in the way of representation of the Dominions, and expressing our opinions in favour of the present representation continuing until something better has been agreed upon and has come into operation.

Then there is another school, who advance the theory that anything in the way of an Imperial Parliament will not be likely to work so well as something in the way of what is called an Imperial Council—again, of course, representative of the different Dominions—which would not have the powers that would be possessed by the Imperial Cabinet, but which would meet annually, say, and which would deal with all matters of Imperial importance, and would in its turn make representation to the Parliaments of the different Dominions and to the Parliament of the United Kingdom itself.

My own idea is, that if we can make such arrangements as will allow the present representation of the Imperial Cabinet to continue, even when the War comes to an end, if we can also along with that have a representative Imperial Council, then, I think, a very great deal will have been done and a very long step forward will have been taken along the road on which we are so anxious to travel. The Imperial Conference, which has been in the habit of meeting every four years, and which in itself I am bound to say was a very important advance, admitted the right of the Dominions to be consulted in connexion with Imperial affairs. But something more than that is required at present, and something more than that must result from the position the Dominions have taken up during the present War.

Speaking of the present War, I may say I am not one of those who think that the Dominions came into the War simply to assist what we are all pleased and proud to call the Mother Country. I do not look at it from that point of view at all. We came into the War as Oversea Dominions of the Empire because we are part of the Empire and because the Empire to which we belong was

being attacked, and if we had not come into the War in the way that has happened and which we are all proud of and pleased with—and let me say here not one of us would go back upon it-I have no hesitation in saying that as British citizens and as citizens of no unimportant parts of the world now, and which are likely to be much more important in years to come, we should not have done our duty. We are glad to think that as a result of what has taken place, instead of, as many people imagined would be the case, that at the first shock of war the Empire would go to pieces, there is a better spirit throughout the Empire to-day than has ever obtained in past years at any time in its history; and I am glad to include in that the Empire of India, which is represented at this Conference, and which I believe will be represented at any Conferences to consider Imperial affairs that may take place in the future. Sir Robert Borden, when speaking, used a term which implies a very great deal. It is a term which I have used myself on more than one occasion, and a term with the use of which I thoroughly agree, and that is the term 'United Nations.' We are coming together, not, as used to be considered, as the United Kingdom with its dependencies. That is not the position to-day. We are coming together as United Nations of the Empire and on equal terms so far as the populations of the different parts of the Empire will allow.

I was pleased to hear the reference of Sir Robert Borden to the Monarchy. The subject of form of Government is occupying the attention, in view of recent happenings, of liberty-loving people all

over the world. There is no doubt that something in the way of more democratic and more representative forms of government is in the air; it is in the atmosphere, so to speak, and we cannot get away from it; but in case there should be any misapprehension in the minds of people who are interested in this Conference or who may think it worth while to read the proceedings or the records of this Conference in the future, I would just like to say that I, speaking as a British citizen, believe that the British Empire has today probably the freest and most progressive form of government that the world has ever seen. We do not propose to go back upon that in the very slightest. But, following up that point, I would just like to say that, in my opinion, the British Monarchy is the keystone of the Imperial arch. I do not need to elaborate that point, but when I express that opinion I think it speaks for itself, and I am quite certain in expressing it I have expressed an opinion with which every member of this Conference will agree.

I do not think I need to say any more on the subject except just this, that one of your great British statesmen and poets made the statement that the British Constitution had broadened down from precedent to precedent. Precedents are now following each other in rapid succession. History is being made very rapidly, and I have no doubt as time goes on and if we take advantage of the opportunities that offer—and they are offering now—we shall be able to arrange the Constitution which, as public men representing important parts of the British Empire, we are privileged to deal

with, in a way which will provide for the future possibilities and the future wants of the great

Empire to which we belong.

I would like to suggest to the Conference and to Sir Robert Borden that he should include in. or consent to be added to, his motion something on the lines I have already referred to. I had drafted a motion, but, as a matter of fact, I had forgotten that this matter was coming up to-day and, therefore, I was not prepared to speak upon it, and perhaps the opinions I have expressed have been somewhat disconnected in consequence. but the one ideal I have in mind, which I am going to suggest to Sir Robert Borden and to the Conference, is that something in this way should be added: 'That until such Conference'-that is, the special Conference contemplated—' has met, and arrived at its conclusions, this Imperial War Conference recommends that the present arrangements by which representatives of the Dominions and of India occupy seats in the Imperial Cabinet shall continue.'

I second the Resolution, if it is necessary.

CHAIRMAN (Mr. Long): This Resolution is proposed by Sir Robert Borden and seconded by Mr. Massey. Does any other member of the Conference desire to say anything before the motion is put?

GENERAL SMUTS: I should like to say a few words, if I may. I need hardly point out that this is far and away the most important point on the agenda of our Conference this time. The British Empire is the most important and fascinating problem in political and constitutional government which the world has ever seen.

Whenever we come to this question of a proper constitution for this Empire we touch on the very gravest and most important issues. As a matter of fact we are the only group of nations that has ever successfully existed. People talk about a league of nations and international government, but the only successful experiment in international government that has ever been made is the British Empire, founded on principles which appeal to the highest political ideals of mankind. Founded on liberal principles, and principles of freedom and equality, it has continued to exist for a good time now, and our hope is that the basis may be so laid for the future that it may become an instrument for good, not only in the Empire but in the whole world.

The subject-matter of this Resolution, as Sir Robert Borden has stated, has been carefully considered, and although, quite properly, a definite decision on the main problem is to be postponed for future action by a more important Conference than this, yet certain principles are affirmed here in this Resolution which are very important and far-reaching. The Resolution refers in the first place to the question of the status of the selfgoverning Dominions. That matter has already been referred to both by Sir Robert Borden and by Mr. Massey, and I wish to say a few words in reference to the point. The Resolution says that any future settlement that is come to must 'be based upon a full recognition of the Dominions as autonomous nations of an Imperial Commonwealth.' The whole question of the future status of the Dominions is therefore raised in this Resolu-

tion. So far the British Empire has developed along natural lines. The Dominions started as Colonies and as settlements of the Mother Country and of the British Isles. They started as Crown Colonies; they developed into self-governing Colonies; and now they have become the present Dominions. Other parts of the world have been added to the Empire, until to-day we have really a congeries of nations. These old Colonies and the present Dominions have in course of time increased in importance, increased in population, and in economic importance, and are to-day already playing a part in the world which seems to my mind to make it very necessary that their status should be very seriously considered, and should be improved. Too much, if I may say so, of the old ideas still clings to the new organism which is growing. I think that, although in practice there is great freedom, yet in actual theory the status of the Dominions is of a subject character. Whatever we may say, and whatever we may think, we are subject Provinces of Great Britain. That is the actual theory of the Constitution, and in many ways which I need not specify to-day that theory still permeates practice to some extent.1 I think that is one of the most important questions -one of the most important matters-that will have to be dealt with when this question of our future constitutional relations on a better and more permanent basis comes to be considered. The status of the Dominions as equal nations of the Empire will have to be recognized to a very large extent. The Governments of the Dominions

¹ See Imperial Unity and the Dominions, pp. 589-592.

as equal Governments of the King in the British Commonwealth will have to be considered far more fully than that is done to-day, at any rate in the theory of the Constitution if not in practice. That is the most important principle laid down in the second part of this Resolution, that there should be 'a full recognition of the Dominions as autonomous nations.' And, to strengthen the point, the Resolution goes on to affirm that the existing powers of self-government should not be interfered with. Of course there is a good deal of feeling of natural and justifiable jealousy in the Dominions as to the rights which they have acquired and which they do not like to be tampered with, and, naturally, I think it is very wise to add this to the Resolution, that their existing powers of self-government should not be tampered with. If that is so it follows that one theory, one proposed solution of our future constitutional relations, is negatived by this Resolution. If this Resolution is passed, then one possible solution is negatived, and that is the Federal solution. The idea of a future Imperial Parliament and a future Imperial Executive is negatived by implication by the terms of this Resolution. The idea on which this Resolution is based is rather that that Empire would develop on the lines upon which it has developed hitherto, that there would be more freedom and more equality in all its constituent parts; that they will continue to legislate for themselves and continue to govern themselves: that whatever executive action has to be taken, even in common concerns, would have to be determined, as the last paragraph says, by 'the

several Governments' of the Empire, and the idea of a Federal solution is therefore negatived, and, I think, very wisely, because it seems to me that the circumstances of the Empire entirely preclude the Federal solution. Here we are, as I say, a group of nations spread over the whole world, speaking different languages, belonging to different races with entirely different economic circumstances, and to attempt to run even the common concerns of that group of nations by means of a Central Parliament and a Central Executive is, to my mind, absolutely to court disaster. The experiment has been tried in the United States and, it is said, with great success. Well, of course, the experiment in the United States has not lasted very long, and we must see whether it will continue successfully under the stress of the great experience into which America is now entering. But I am now informed by those who are very close observers of American government and American institutions that they are certain that the experiment has reached its utmost limits. In that case you have a compact country, a compact half continent, where people live together, where they all go through the same mould, and where they are all formed more or less on the same lines; whereas in this Empire you have an entirely different state of affairs. The young nations are developing on their own lines; the young nations are growing into Great Powers; and it will be impossible to attempt to govern them in future by one common Legislature and one common Executive.

Then if we are to continue as nations and to

grow as nations and govern ourselves as nations the great question arises: How are we to keep this Empire together? That is the other important point, I take it, in this Resolution—the point which recognizes that there should be effective arrangements for continuous consultation in all common concerns, especially in concerns which are mentioned there specifically, that is foreign policy; but in all common concerns that there should be effective arrangements for continuous consultation. Setting aside the Federal solution as not applicable to this Empire, which is not merely a State but a system of States, half the world in itself-setting aside that solution, the question arises how you are to keep the different parts together, and it can only be done on the basis of freedom and equality which has existed hitherto, only the machinery would have to be arranged on which that system could be worked. I think it will not pass the wit of man to devise ways of continuous consultation—not intermittent, not every four years as we have had hitherto, but continuous consultation. Sir Robert Borden has pointed out in that great speech of his at the Parliamentary dinner—one of the finest speeches I have ever listened to, and one of the wisest I have ever listened to-that a practice which has now arisen spontaneously of a double Cabinet may in the future provide the germs of a solution. I express no opinion upon that, because very intricate constitutional questions are bound up with that, and it is quite possible to arrange this system of consultation and continuous Conferences even on a different basis and yet to make

it perfectly workable and feasible as a means of keeping the different parts of the Empire together. It seems to me that some such machinery will have to be devised and that it will not be difficult to devise it once we come to sit round the table and discuss the matter carefully. In that way it will be possible, while leaving full executive action to the various more or less equal Governments of the Empire, while leaving full executive responsibility to them, to see that in all important concerns there is consultation and continuous consultation; that there is an exchange of ideas and that the system, whilst preserving freedom and equality in its parts, will work with a strong sense of unity at the centre.

I think, if this Resolution is passed, sir, we will have taken an immense step forward in the history of the Empire. If we pass no other Resolution at this Conference than this one, I am sure that we will have done a good day's work for this Empire. We are emerging out of one era and we are entering upon another where much greater problems will confront us than ever before. So far it has been possible for us each to go his own way, meeting once in so many years. In future it will be necessary for us to keep much more closely in touch with each other.

These are the principles which are affirmed in this Resolution, leaving the actual solution of our constitutional problem to be dealt with hereafter. Those are the principles which are affirmed here, and I heartily endorse them and give my adhesion to this Resolution as it stands here.

SIR EDWARD MORRIS: I should like to add my

support to this Resolution. I would like to say that, through the courtesy of Sir Robert Borden, I have had an opportunity of carefully studying the nature of the Resolution, and I think it would be wise, probably, at the present time not to go beyond this Resolution. Certainly this is not the time to discuss any changes in connection with the relations which exist between the Dominions and the Mother Country, and I think the proposal to postpone the further consideration to another Conference rather a good one.

It appears to me that the position before the war was this: All the Dominions had complete autonomy, even practically to the question of treaty-making, and if they were not consulted and had no part in the question of defence and in the question of foreign relations, it was because they did not contribute. The whole cost of running the Empire from a defence standpoint and from the foreign relations standpoint, and everything in relation to the acquisition of new territories and new States for the Empire, was accomplished out of the Imperial Exchequer. But in all other matters the Colonies, as they have been termed, the Dominions, have enjoyed the full benefits and advantages of responsible Government, and that has been year after year broadened out. The question then comes whether these scattered Dominions, these wide-flung possessions, can be brought closer together from a constitutional point of view. This Resolution does not call upon us to consider that question. We are here now taking part in the proceedings of the Imperial War Cabinet, and we have been invited

here to take part in the discussion of the terms of peace, principally, I take it, in consideration of the part which the Dominions have taken in this war. Whether it would be wise to alter this Resolution by Mr. Massey's suggestion to continue the present system would require, I think, a good deal of discussion and consideration; because, after all, whilst we are advising in relation to these serious problems in connection with the terms of peace and the carrying on of the war, we have no constitutional power to bind the Parliaments that we represent. I do not mean by that to say that the various Parliaments in the various Oversea Dominions would not gladly endorse anything that might be done here. all comes down to the mere question of finding some machinery which in a permanent and responsible form will continue what is now being done by the War Cabinet, if that is desirable.

In the past Conferences, some of which I have had the advantage of taking part in myself, this very question came up about an Imperial Parliament and an Imperial Council, but there were always very grave difficulties in the way of establishing anything of a permanent character, and it seems to me now that this Resolution, whilst, as General Smuts has very wisely pointed out, it affirms, if necessary, the present position of the Dominions as regards their authority and autonomy and control over their own affairs, leaves it open to some future Conference to discuss the possibilities of having some machinery in the nature of consultation to deal with questions of foreign policy and the defence of the Empire.

I was very glad that Sir Robert Borden, in his opening remarks, referred to the position to-day of this country in its relation to the Monarchy, especially in view of the changes which are taking place in other countries. Some of us, who live near republican institutions and have had opportunities of studying others, I think will agree that the monarchs in this country, at least the late Queen Victoria and King Edward as well as the present monarch, have made it possible for us, whilst admiring some of the principles in republican institutions, to still continue to believe in the wisdom of monarchical institutions. thing it gives us, at least, and that is an appeal. Every subject has an appeal to the Chief Magistrate of the land, who is not a party-politician and who is not placed in the position he holds by any party or by the funds of any party, but stands as the representative of all, and rarely in this country interferes in any matters except in the interest of the public and as between the public and the legislators. For that reason I have very much pleasure in supporting the Resolution as proposed, with the slight amendment which I understand is to be proposed later in relation to the great Government of India.

SIR SATYENDRA SINHA: Sir, I should like, while supporting this Resolution, to make what I consider to be a merely verbal alteration, because I am certain that it could not be intentionally meant to exclude India, especially after the Resolution which this Conference has already passed. I therefore propose that we should add to the Resolution, in the second paragraph, after the

. words "upon a full recognition of the Dominions as autonomous nations of an Imperial Commonwealth," the words "and of India as an important portion of the same." The Resolution was drafted, of course, with special reference to the Self-governing Dominions, but, as I said, it could not have been intended to exclude India from participation in the arrangements which are recommended for the purpose of representation in foreign policy and in foreign relations. The foreign policy and the foreign relations of the Empire are to a very large extent concerned with India, and, therefore, it is only right that India should be represented in all consultations for the purpose of dealing with such foreign policy and foreign relations. As a corollary to that amendment I propose another consequential one, namely, that instead of the words, "should recognize their right to an adequate voice in foreign policy and in foreign relations," in order to make it perfectly clear, we should say, "in order to recognize the right of the Dominions and of India to an adequate voice in foreign policy," and so on. It is with some diffidence that I address the Conference and ask for this amendment to be made, but I do so principally on the assurance that it is bound to be acceptable, having regard to the attitude of the Conference already with regard to India.1

¹ The Conference resolved on April 27 "That the Imperial War Conference, having examined the memorandum on the position of Indians in the Self-governing Dominions presented by the Indian representatives to the Conference, accepts the principle of reciprocity of treatment between India and the Dominions and recommends the memorandum to the favourable consideration of the Governments cencerned."

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I do not desire to take up the time of the Conference with anything further, except to say that I wish to associate myself, on behalf of India, with the sentiments that Sir Robert Borden expressed with regard to the monarchy. India has in a peculiar degree a sense of loyalty to the person and throne of the Monarch in England, and it would, therefore, give the greatest satisfaction to my countrymen that this Conference should unequivocally express its declaration that the monarchical form of government, as it is, is the best suited to the requirements of the Empire.

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